SANTA FE: $4.5 MILLION TO REVAMP 355 CABOOSES ..... p. 28

JUNE 5, 1967

RAILWAY AGE

THE TRANSPORTATION WEEKLY

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Containers get a Milwaukee Road sell in Japan p. 16

AAR's new chief—a public-relating railroader p. 18

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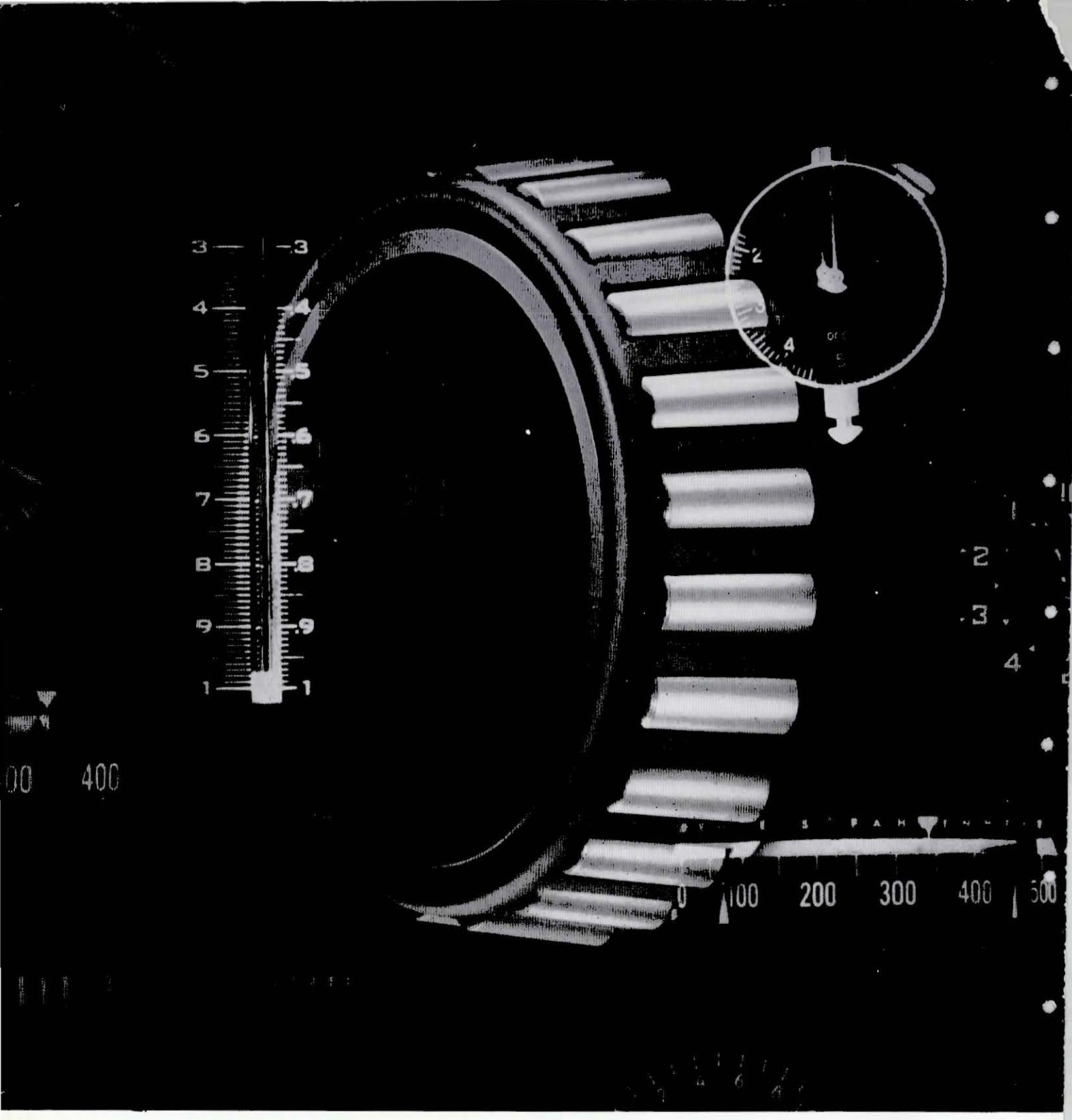

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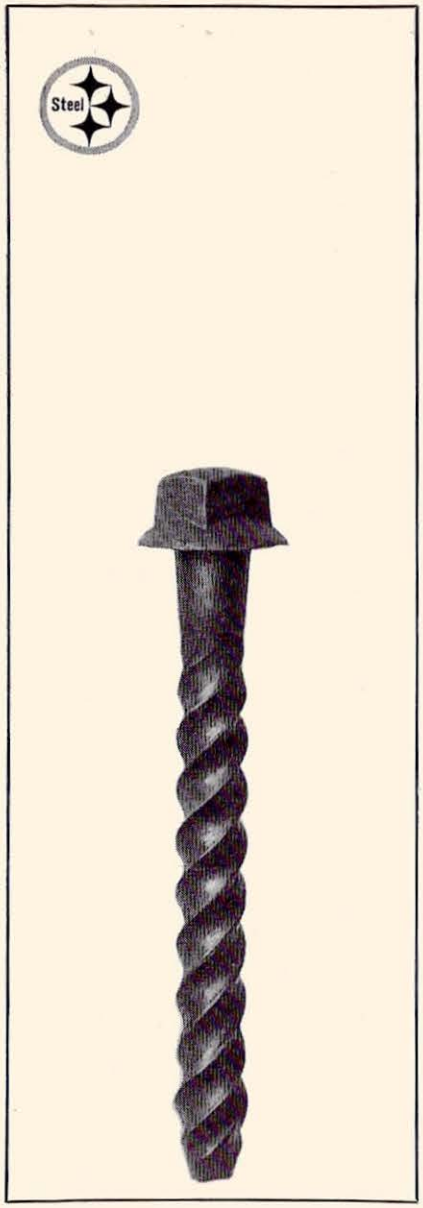
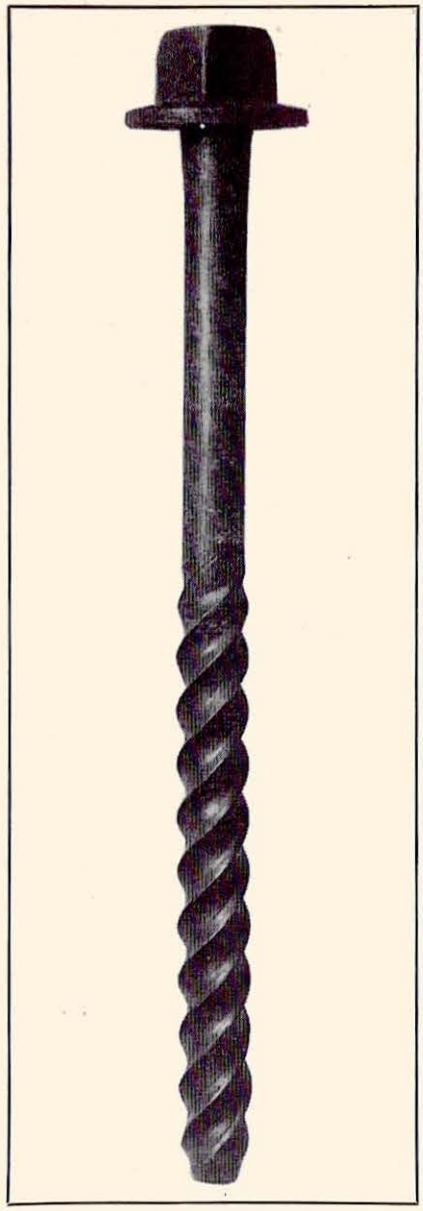
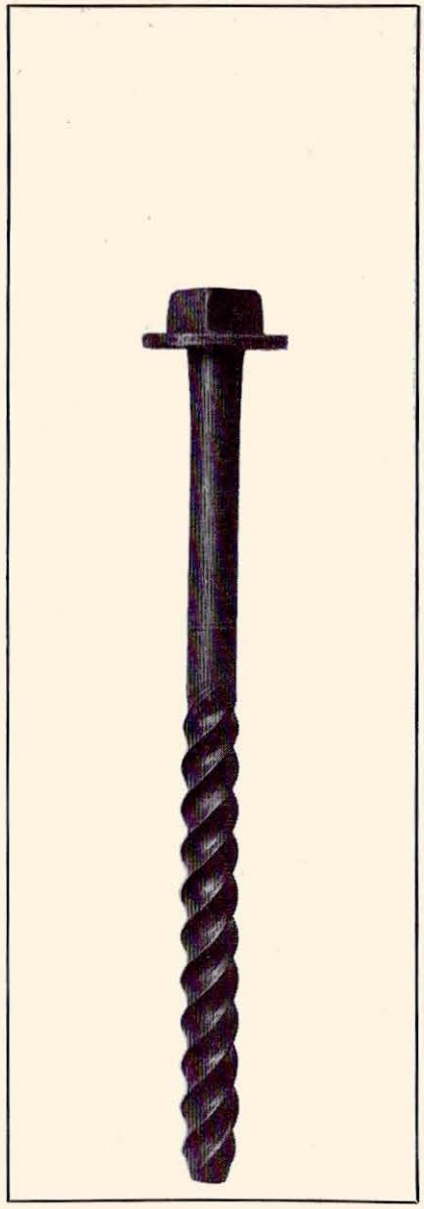


Cone-neck Drive Spike (AREA Plan 1M). This spike has quadruple flutes with a ½-in. pitch. It is designed for use as an anchor spike for tie plates, switch plates, gage plates, twin-hook plates, adjustable rail-brace plates, anti-creeper straps, solid rail braces, switch latches, and switch stands. Available in 6-in. lengths and 11/16-in. and ¾-in. diameters.



Washer-head Timber Drive Spike (AREA Plan 2M). Having a four-flute thread with a ½-in. pitch, this spike is designed for holding down highway crossing planks, prefabricated crossing panels, and timber bridge guard rails. Available in three diameters: ⅝ in., 11/16 in., and ¾ in., in a minimum length of 6¾ in.



Timber Drive Spike (AREA Plan 3M). This light-weight, washer-head fastener has a four-flute thread with a ⅜-in. pitch. Designed to hold down highway crossing planks and timber bridge guard rails, it is available in a minimum length of 6¾ in. in a ½-in. diameter.

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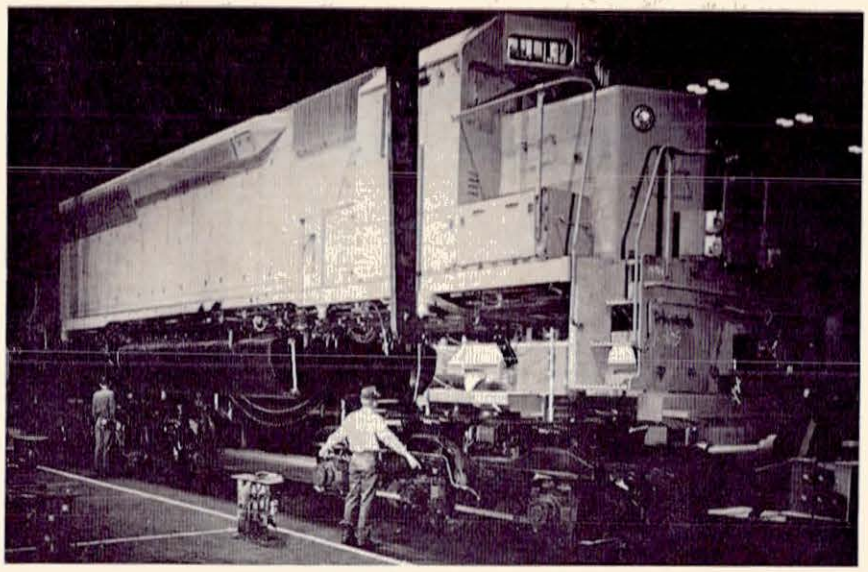
Railway Age, established in 1865, is indexed by the Business Periodicals Index, the Engineering Index Service and the Public Affairs Information Service. Name registered in U.S. Patent Office and Trade Mark Office in Canada.
Published weekly (except for four issues combining two-in-one) by the Simmons-Boardman Publishing Corporation at 440 Boston Post Road, Orange, Conn.
Railroad employees' subscription rate: U. S. possessions, Canada and Mexico, $6 one year, $8 two years, all others $14 for one year, payable in advance and postage paid. To railroad employees elsewhere in the western hemisphere, $10 a year. In other countries, $15 a year. Single copies, 60¢ except special issues. Address all subscriptions, changes of address and correspondence concerning them to Subscription Dept., Railway Age, Emmett St., Bristol, Conn. 06010.
Change of address should reach us three weeks in advance of next issue date. Send old address with new, enclosing, if possible, your address label. Post Office will not forward copies unless you provide extra postage.

Circulation Dept.; John Rogers, Circulation Manager, 30 Church St., New York, N.Y. 10007. POSTMASTER—SEND FORM 3579 TO EMMETT ST., BRISTOL, CONN. 06010.
Printed at the Wilson H. Lee Co., Orange, Conn. 06477. Second-class postage paid at Orange, Conn. and at additional mailing offices.



GREATER HAUL

with fewer units... powerful new diesels are pulling the railroads ahead

The new breed of diesels offers dramatic evidence of the resurgence of the railroads as a *growth* industry. These powerful new units, many of them 6-axled and running as high as 3,600 hp, are moving vast tonnages of freight over all sorts of terrain—expeditiously and at relatively low cost.

Despite the fact that the railroad diesel fleet decreased by 654 units in the last five years—total tractive effort increased by 35 million lbs. 1,362 new units went into service in 1966, only slightly under the 1965 figures. Again, efficiency ratings ran high, with an increase in average tractive effort over a space of one year, of 1,226 lbs. *per unit* for the entire diesel fleet.

The locomotive builders and the suppliers of a host of modern diesel components—have a proud story to tell and their favorite medium of communication is the Railway Age Group. Likewise the suppliers of the fuels and lubricants that keep this giant power running smoothly and trouble-free, are regular users of these publications. Significantly, in 1966, the Class I roads spent $368 million on diesel fuel oil and it is estimated that the 1966 bill for diesel lube oils and greases approximated $20 million.

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SHORT AND SIGNIFICANT

Supreme Court upholds ICC in Divisions case

From $10 million to $12 million a year will be shifted from Mountain-Pacific railroads to eight Midwestern lines as a result of the U.S. Supreme Court's May 29 decision upholding the ICC on unsettled phases of the Transcontinental Divisions case. The divisions involved are the Mountain-Pacific and Midwestern shares of revenues from joint through rates on transcontinental traffic. The splits upheld by the Court will be retroactive —some to July 1, 1963, and others to March 30, 1964, effective dates of Commission orders in the case. The prospective shift of $10 million to $12 million a year is based on accruals for the first quarter of 1967. The case, docketed at the Commission as No. 31503, is now 13 years old, the original complaints having been filed before the Commission's first decision of four years ago. Eastern railroads as well as the Mountain-Pacific and Midwestern lines were then involved. After the case got into court, however, the Mountain-Pacific roads reached compromise agreements with the Eastern lines and there was also an Eastern-Midwestern agreement. The Mountain-Pacific group also reached an agreement with all the Midwestern roads except the eight which continued the litigation. The eight are C&NW, CGW, Milwaukee, GB&W, GM&O, IC, MP and the Soo.

●

New 405-mile railway proposed for Alaska

Alaska desperately needs new transportation lines to exploit its vast mineral reserves in the Arctic—and preliminary planning gives railroads an inside track. Governor Walter J. Hickel has appointed a 10-member commission on Northern Operations of Rail Transportation and Highways (NORTH) to "find methods for economic development in the Arctic." The governor himself believes that an important part of any final plan that emerges will be a decision to extend the present 420-mile Seward-Fairbanks rail line northwestward to Bornite, an additional 405 miles. Kennecott Copper has already started exploratory operations at Bornite. Joseph H. Fitzgerald, appointed two years ago by President Johnson to head the Federal Field Committee for Development Planning, also thinks a railroad might be the answer. "The Canadians," he points out, "have pushed a whole series of railroad expansions and we are told they have experienced more rapid development than had been expected." Fitzgerald's staff economist, Dr. Douglas Jones, adds that it's a mistake to assume that "just because railroads were dominant in the mid-1800s they are not appropriate 100 years later."

●

Soo states its position on mergers

The only road in its territory that isn't involved in merger, one way or another, Soo Line continues to play the role of the doughty independent—with new attacks, in recent days, on both the ICC-approved Chicago & North Western-Chicago Great Western merger and the proposed C&NW-Milwaukee Road consolidation. On C&NW-CGW, Soo charges that protective conditions imposed by the ICC "are, with one exception, so valueless that if the Commission doesn't see fit to modify them, the Soo would prefer to have them deleted." And on C&NW-Milwaukee, the Canadian Pacific-controlled road is calling for the ICC to take six steps to "preserve rail competition in Wisconsin and to offset financial losses to the Soo." As the loner in its area, Soo contends that three merger-or-control cases in which it's involved with C&NW could cost it as much as $8 million a year in revenue "if the Commission fails to condition orders approving the North Western's proposals in such a way as to either prevent diversions or give the Soo Line an opportunity to generate offsetting revenues."

MONDAY MORNING REPORT

Tracks across the Pacific

Railroadmen, since the building of the first transcontinental line across the U.S., have frequently cast longing looks across the Pacific at potential traffic with the Far East. Efforts to tap the lucrative markets of the Orient via steamship service have met with varying degrees of success through the years. But the biggest hurdles have always been technical ones—economical ways to handle a variety of merchandise, efficient and practical packing methods, and reasonably fast delivery time. Now, thanks to some technological miracles, the railroads believe they're ready to get back in the ball game with a winning team.

The little magic box called a container

Just a few days ago, for example, two 20-foot containers loaded with refrigeration equipment and parts were unloaded on a dock in Yokohama, Japan. The significance of this shipment is that it was shipped by the Northern Pacific from the Twin Cities and represented that railroad's first containerized cargo in a new service connecting U.S. Eastern and Midwestern cities with the Orient. NP now joins Union Pacific, Milwaukee and Great Northern in focusing new attention on the Far East, and on Japanese trade in particular. E. M. Stevenson, NP vice president-traffic, pointed out that NP has handled millions of dollars worth of materials in shipments to and from Japan through the years, but with the use now of containers and expedited service, a new era in trade with Japan and other Far Eastern countries is opening up.

The railroads prepare for traffic expansion

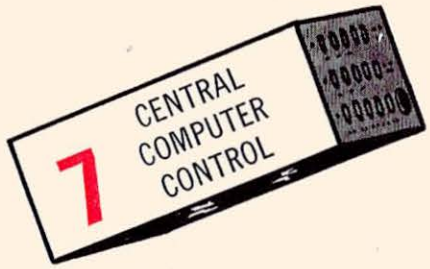
Union Pacific, long-active in foreign trade, opened a commercial office in Japan late last year. NP plans to set up one (as with UP, run by a Japanese national) later this year. And just back from extensive talks on developing import-export traffic with Japan are three top Milwaukee sales and operating officers (see p. 16) who informed the Japanese that the Milwaukee is ready to begin handling containerized shipments on a major scale.

Across the U.S. and on to Europe

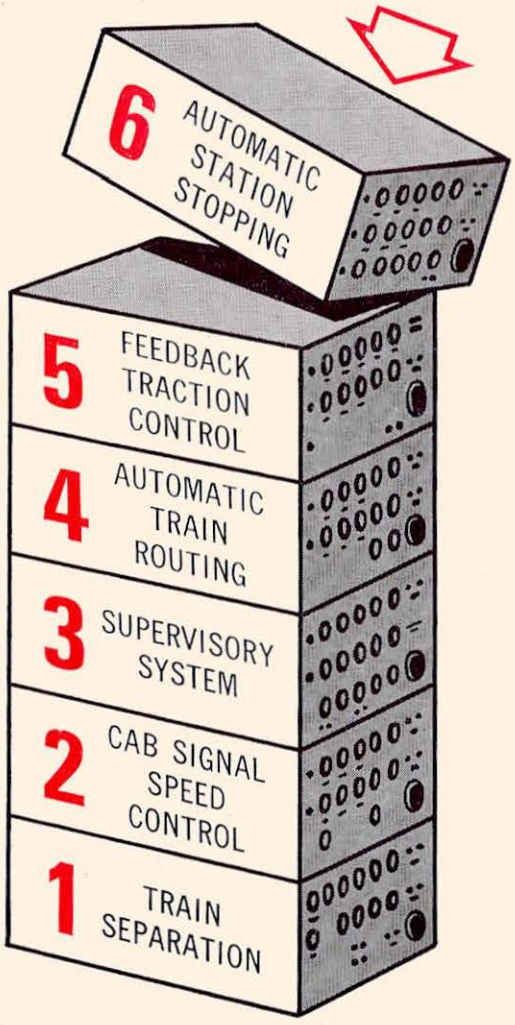
The stakes in the Far Eastern markets are great. Commerce with Japan alone has tripled in the past 10 years to $4.4 billion, and containerization is showing vigorous growth. Fruehauf Corp.'s senior executive vice president, Harry E. Foulkrod, believes that the economic advantages of container shipping will give a new importance to West Coast ports as a trade route to both American *and* European markets. "Direct-line shipments from Japan or the Philippines to mid-continent or eastern American cities, or straight across the U.S. to European cities will become an accepted practice," Foulkrod believes. "Containers are creating an alternative to the present sea routes through the Panama Canal or beneath the South American Continent. These routes were useful because of the former need to avoid break-bulk loading and unloading."

Containers have a piggyback potential

The railroads' interest in opening up new ways for faster, more direct shipments both ways between the U.S. and the Orient for shippers and importers is seen by many observers as a sign of the times. And international containerization, they point out, has many of the potential blessings that piggyback first began to show in 1958. Using containers it will be practical to take a shortcut from the Orient to Europe: by sea to the U.S. West Coast, by train to the U.S. East Coast, and by sea again to European ports—saving several days and costly break-bulk handling. The traffic possibilities are indeed very promising.



Consider the building block approach to rail transit controls . . .



Because it provides for growth, this approach permits the city to meet both today's rapid transit needs and tomorrow's . . . without overbuilding or underbuilding.

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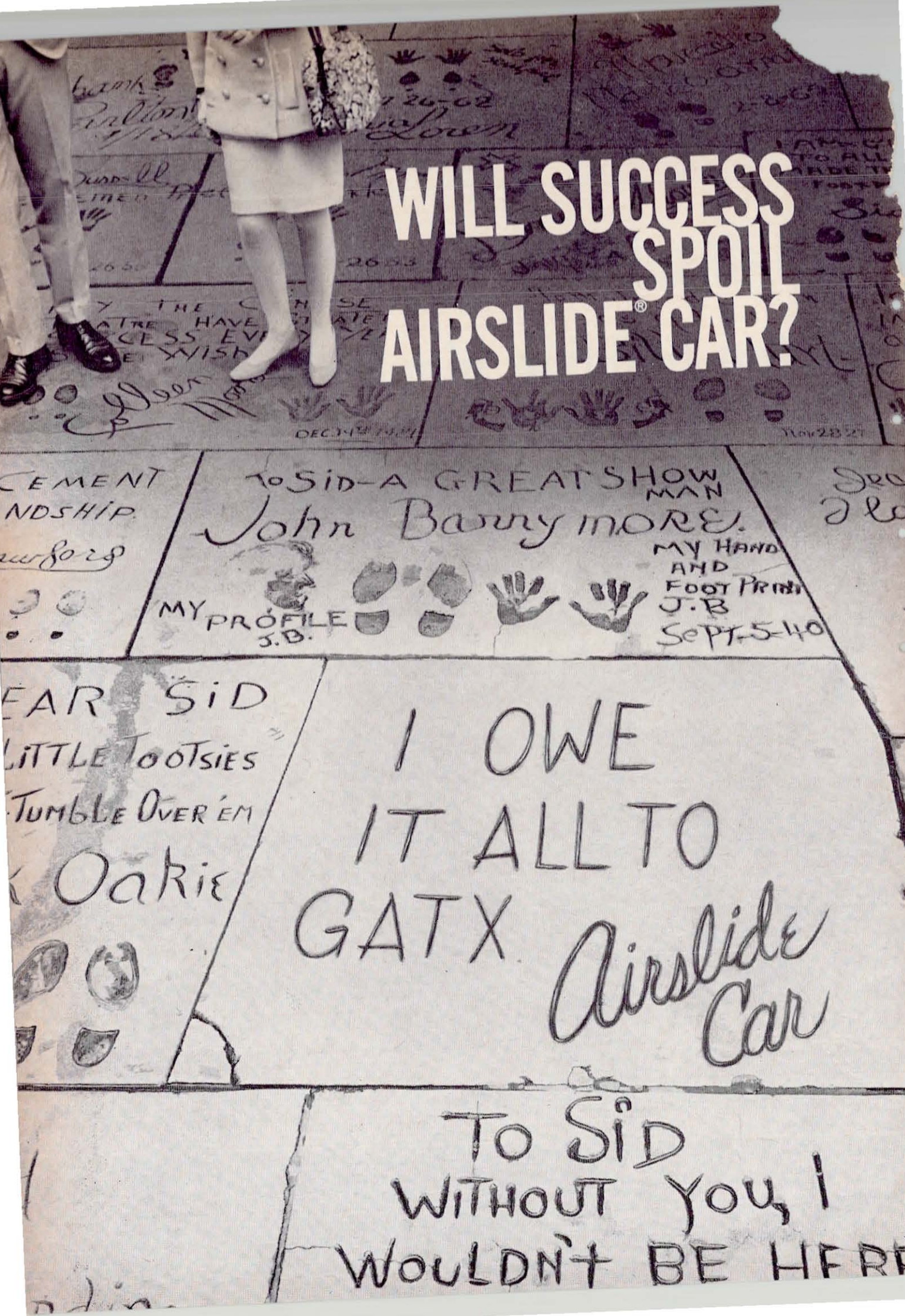
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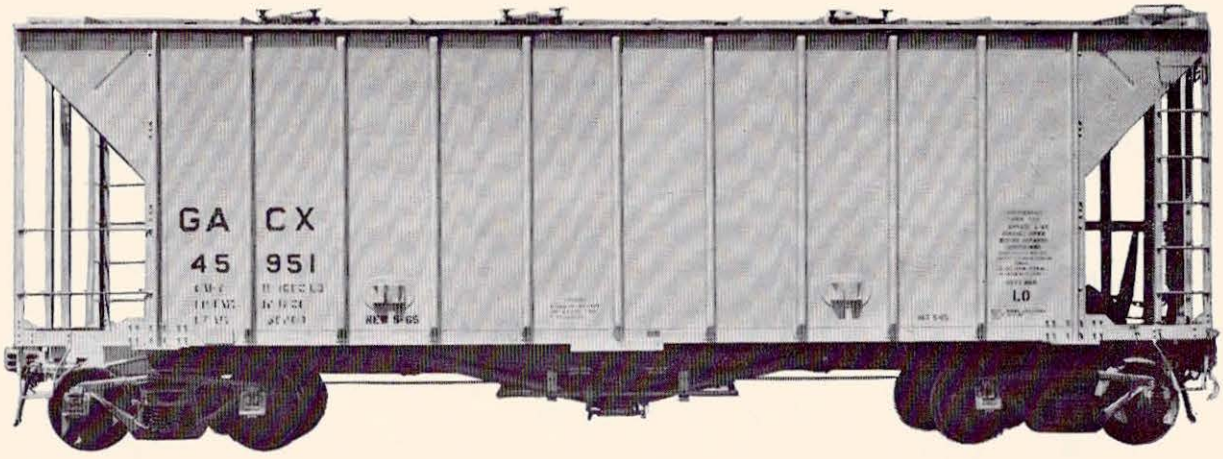

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RAILWAY AGE
WEEKLY

JUNE 5, 1967

WEEK AT A GLANCE

Corridor runs are to begin in October

High-speed revenue service, a phase of the government-sponsored Northeast Corridor project, is now scheduled to start between New York and Washington in late October, according to Dr. R. A. Nelson, director of the Office of High Speed Ground Transportation of the Department of Transportation. Now moving down the assembly line at Budd's Red Lion plant near Philadelphia are the first of the 61 high-speed, stainless-steel cars to be used on the Pennsylvania—50 for New York-Washington Corridor demonstrations and 11 to be operated between Philadelphia and Harrisburg, Pa., for the Southeastern Pennsylvania Transportation Authority. Each car will have four 300-hp motors and will be capable of accelerating to 125 mph in less than two minutes. SEPTA cars will be coaches; there will be 40 coaches, 10 parlor cars for New York-Washington service.

Railroads lose court decision in piggyback case

The railroads have failed in their effort to prevent truckers and water carriers from using Plans III and IV piggyback services. The U.S. Supreme Court last week upheld the ICC's piggyback Rule 2 which says any piggyback service, if offered through open-tariff publication, must be made available to all comers at the same rate.

Plan III is ramp-to-ramp rail service for trailers provided by shippers. Plan IV is ramp-to-ramp service where flat cars, as well as trailers, are provided by shippers. Prominent among shippers using these services have been freight forwarders. As to that, the Supreme Court said forwarders may use Plans III or IV while quoting trailer-load rates "in competition with truckers and with rails."

Meanwhile, the only TOFC services available to other rail competitors have been those of Plans I and V. The former is ramp-to-ramp service under contractual arrangements for trailers of truckers. Plan V is door-to-door service under intermodal through routes and joint rates.

The railroad policy of confining Plans III and IV services to shippers, including forwarders, went unchallenged by the Commission until its piggyback rules were promulgated in 1964. Rule 3 (also upheld by the Supreme Court) supplements Rule 2's clearance for truckers use of those services by spelling out conditions under which truckers and water carriers may use them "in the performance of economically regulated transportation."

The case got into court on appeals of railroads with forwarders as supporting intervenors. These parties won the first round in the U.S. District Court for the Northern District of Illinois. Trucking interests, including American Trucking Associations, took the case to the Supreme Court. The latter's reversal of the lower court, and upholding of the ICC, came in a six-to-three opinion by Justice Abe Fortas. Dissenters were Justices Hugo L. Black, Thomas Potter Stewart and John M. Harlan, who recorded their disagreements in brief notes.

Still pending in a lower court is another case growing out of the Commission's piggyback rules. It involves the appeal of forwarders from the Commission's failure to condemn Plan I. The forwarders contend that Plan V's joint-rate setup is the only piggyback service legally available to truckers and water carriers.

BLE signs, ORC&B goes to an emergency board

Only one wage case is still pending among the operating organizations—and that one may be quite a ways from settlement.

With agreement between the carriers and the Brotherhood of Locomotive Engineers, the Order of Railway Conductors & Brakemen remains the lone hold-out. President Johnson created an emergency board last week to hear that case.

Meantime, the BLE settled for a 6% increase. which led Grand Chief Perry S. Heath to declare that the union had "broken the industry-wide wage pattern." Three other operating organizations and the unions representing most non-operating employees had signed earlier for 5%. Terms of the BLE agreement also call for vacation and insurance improvements. And Heath said there would be a "substantial" improvement in payment to engineers running without a fireman. Contract improvements will be retroactive to last Aug. 12; new proposals may not be served until next spring, and no changes can be made effective before July 1968.

GUS WELTY'S LINES ON LABOR

WELTY

TO HEAR THE BOYS at the lodge hall talk, sometimes, you'd think that railroading was a pretty dreadful occupation—certainly no occupation for the enlightened youngsters of today. Then you read the figures on how many new people are coming into railroading, and you have to wonder if the boys down at the hall know what they're talking about. Sure, railroading still has trouble with a suffering image. Sure, employee morale may not be all it should or could be. Sure, a kid just out of school can often make more starting-money someplace else. But the fact remains that in 1965—the most recent year for which the figures are complete—73,911 new people came into railroading, in one form or another (and the qualifying phrase is added only because the employer with the most new-hires was REA Express, which may or may not be railroading).

EIGHTEEN COMPANIES hired more than 1,000 new people in '65. REA ranked first, Chicago Union Station placed 16th. And the other 16 were Class I railroads—NYC, PRR, UP, Burlington, Santa Fe, Milwaukee, C&NW, NP, SP, GN, Rock Island, Erie Lackawanna, IC, N&W, C&O and B&O. Together, the 18 companies accounted for about two-thirds of the new-hires, or 50,106 people.

WHERE WERE THE NEWCOMERS placed? In large numbers they went into maintenance-of-way departments, into clerical jobs, into station and platform work and into train service as brakemen. As might be expected, few started in the executive ranks. But, surprisingly or not, on a percentage basis, more newcomers caught on as supervisors and professionals than as shop craftsmen. And over-all, the new bunch was a young bunch—with a median age of 23, and with 68% 24 years old or younger.

IF THERE'S A TRAGIC SIDE, and there is, to the new-employee situation, it's in the number of people who taste railroading and spit it out. Railroad Retirement Board figures may be somewhat misleading, on both the arrival and the departure side. But, anyhow, RRB shows that many newcomers don't stay long. In 1962, 52,000 people came into the industry. By 1965, only 31% of them showed railroad service. In '63, 68,000 people came in. By '65, only 39% of this group was still around. In '64, the industry welcomed 74,000 employees. In the following year, 59% were accounted for.

TURNOVER in lower-paying jobs and in those where, traditionally, railroads have had less workforce stability explains most of the low-retention percentage. But this kind of turnover is still a costly thing—doing no real good for either management or the unions. And, perhaps, this is worthy of serious, maybe joint, consideration.

Another forward step by RAILWAY AGE...

Long known for the enterprise of its editorial campaigns ("Outrage", "Trap", "Transit," "Piggyback", and many others) 111-year old Railway Age again pioneers—this time in the field of *media evaluation.*

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June 4, 1967

Railway Age Now Offers Advertisers

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of Its Railroad Circulation Coverage . . .

For the first time in the railway industry, buyers of magazine advertising space now have an effective tool for analyzing circulation in terms of physical units of railroad property. It is based on unit counts of two important indicators -- freight car ownership and railroad mileage.

This new service has been inaugurated by Railway Age as a part of its December 31, 1966 ABC Publisher's Statement. The analyses conform to standards set up by the Audit Bureau of Circulations and have been audited by ABC as part of the Railway Age Publisher's Circulation Statement.

Railway Age sets a new mark as only the third U.S. publication to provide an ABC audited Unit Count, and the first to use two unit bases. It's an exclusive Railway Age service that will help advertisers and their agencies achieve a more meaningful interpretation of railway business magazine circulation.

Cordially,

Robert G. Lewis
Publisher

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C&NW plans to diversify some more

When Chicago & North Western diversifies, it doesn't fool around.

Managements of C&NW and Essex Wire Corp. have reached agreement on principal terms of a plan whereby a holding company to be formed by the railroad would acquire Essex.

—Acquisition price would be $367 million in cash and securities (par value).

—North Western would be acquiring a company bigger than itself, from a revenue standpoint. In 1966, C&NW showed total revenues from railway operations and chemical sales of $316 million; Essex, a major producer of electrical wire and related products, posted total sales of $375 million.

• **NWI exchange set.** The acquisition itself would be accomplished through formation of a holding company, North Western Industries, Inc., which would offer to exchange, share-for-share with present C&NW preferred and common security holders, shares identical to the preferred and common shares now held in the railway company. Complete acceptance of the offer would give Industries 1,495,105 common and 856,869 preferred shares.

Essex has eight million common shares outstanding. For each share, Essex shareholders would receive $41.67 principal amount of Industries 5% convertible subordinated debentures and $4.17 in cash. Debentures would be subordinate to senior debt of Industries only. And at any time subsequent to three years following consummation of the acquisition, each $41.67 principal amount of debentures would be convertible into one-third of a share of Industries common.

Offers would be contingent upon acceptance by at least 80% of the outstanding shares of both companies.

Chicago Great Western security holders would also be given an opportunity to accept the NWI offer, subject to consummation of the ICC-approved C&NW-CGW merger.

The Essex move is by far the biggest diversification undertaken by C&NW, which started out two years ago with acquisition of Velsicol Chemical Corp. as a wholly-owned subsidiary and Michigan Chemical Co. as a majority-owned subsidiary. Velsicol owned 53% of Michigan, and was acquired for $90 million by Norwest Corp., a C&NW subsidiary. ■

WATCHING **WASHINGTON** WITH WALTER TAFT

TAFT

A D.O.T. FIRST—First intervention of the new Department of Transportation in an ICC case has come in Ex Parte MC-65. That's the case involving proposed Commission rules to govern transfer of regular-route truck and bus operations from present routes to roads of the National System of Interstate and Defense Highways. D.O.T. intervened to file exceptions to the proposed deviation rules now pending before the Commission in a recommended report by Examiner Samuel C. Shoup.

Generally, the exceptions call for more simplified transfer procedures than would be available to the highway carriers under the Shoup proposals. Shoup recommends a case-by-case approach. That would require each involved highway carrier to obtain new operating authority to operate over the superhighways. Except for this, the proposed rules are not substantially different from the Commission's present deviation rules. These have been in effect for several years, but did not contemplate operations over superhighways of the interstate system.

NO NEW SERVICE IS THE IDEA—The examiner undertook to frame his proposed rules so no truck or bus operator could use them to perform service materially different from those offered on present routes. Another aim is to guarantee continued service to intermediate points and previously-served points off the superhighways.

Thus the Shoup proposals include circuity limitations, and call for firm commitments to serve the intermediate and off-route points. They seem to reflect the examiner's favorable consideration of a presentation made in the case by the AAR on behalf of the railroad industry. As summarized in the recommended report, that presentation said the rules should not provide for the grant of authority to perform new service, but merely afford a means of improving an existing service.

"PAPER BARRIER" ASSAILED—D.O.T. does not seem to disagree with these Shoup objectives. But it assails what it calls the "paper barrier" that would be created by procedures recommended by the examiner. It advises the Commission to reject those procedures in favor of a show-cause-order approach. As D.O.T. visualizes it, such an order would propose adding to each involved operating authority a standard clause stipulating that the authority clears use of the superhighways for runs between any two points on the presently-authorized routes.

That procedure would place the burden of making a case "where it belongs—upon the protestant who would deny a regular route motor carrier and its customers the full benefits of the interstate system," D.O.T. said. It also said its proposal would substantially reduce "the otherwise intolerable workload that would be imposed upon the Commission by the complex procedure recommended." The pleading also contends that the proposed new standard clause would relate to operating flexibility only—it "would not displace existing deviation rules nor add any new traffic-generating points."

EX PARTE 256 NEXT?—The first railroad case to interest D.O.T. might well be the general rate-increase proceeding which got under way last month. Secretary of Transportation Alan S. Boyd and other D.O.T. officials have said from time to time that the Department will intervene in major cases before regulatory agencies. Its presentations will be designed to point up Johnson-Administration positions.

In the past, Executive Department interventions at the ICC have often been on individual-agency bases. Merger cases have been exceptions where the Department of Justice has usually been Administration spokesman. Boyd has recognized that the respective roles of D.O.T. and Justice before regulatory agencies is "one of the important areas of issue" facing his Department.

BROCHURE promoting trans-Pacific freight traffic says, in Japanese (upper left), "Chicago, Milwaukee, St. Paul & Pacific Railroad Company." At right the road claims the "fastest freight service by rail between North Pacific Coast ports and Chicago."

Milwaukee campaigns for more business with Japan

The aim is to attract a larger portion of the rapidly-growing containerized-shipment trade.

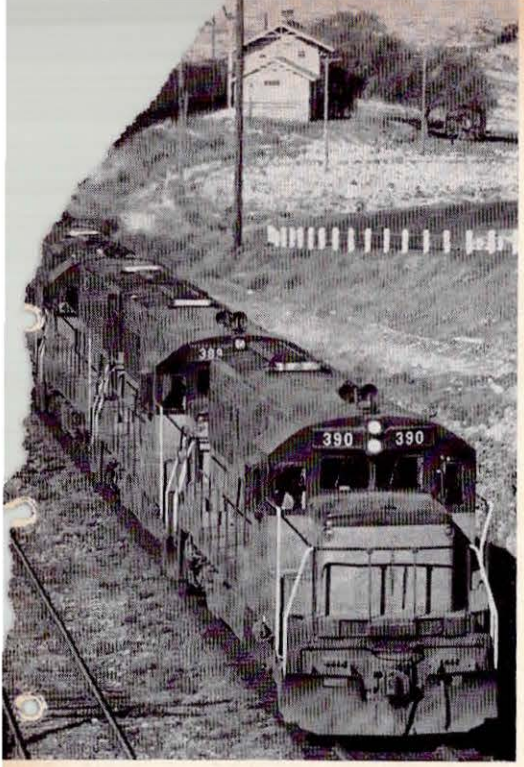
A few days ago, three top-level Milwaukee Road sales and operating officers stepped purposefully off a jetliner at Chicago's O'Hare Field—fresh from a three-week stay in Japan. Their luggage, probably, was loaded with souvenirs. Their notebooks, hopefully, were loaded with ideas for increasing Milwaukee's share of the booming import-export traffic between the United States and Japan.

Actually, the Milwaukee Road trio had two main purposes in making the trip. One was to study traffic and operating practices at the Far East end of the line—and the other was to pass the word to Japanese governmental and commercial interests that the railroad "is prepared to enter the business of handling containerized shipments on a major scale."

Acting as the road's trade ambassadors were George H. Kronberg, vice president-sales and service; P. L. Cowling, assistant to the president of the railroad and vice president of Milwaukee Motor Transportation; and W. Edward Cartwright, assistant to the vice president-sales and service for import-export traffic. And while their trip didn't have the saturation-coverage of the road's highly-successful domestic sales campaigns—the Red Vest promotions—they're hoping that they've laid the groundwork to make possible Red-Vest traffic increases in the international-traffic area.

● **Talking about the build-up.** The three men left Chicago May 8—with an impressive work-plan, which included stops in Tokyo, Yokohama, Nagoya, Osaka, Kobe and several other smaller cities. Also on the schedule were brief stopovers in Hawaii and Alaska.

One of the main points they hoped to make concerned the Milwaukee's improved position in handling international traffic. As Kronberg puts it, "we've been building up our equipment



TRADE GROUP from CMStP&P checks signals before leaving for the Orient. L. to r. are W. E. Cartwright, assistant to the vice president-sales and service for import-export traffic; G. H. Kronberg, vice president-sales and service; and P. L. Cowling, assistant to the Milwaukee's president and vice president of Milwaukee Motor Transportation.

BIG FACTOR in high hopes of Milwaukee and other western lines for increasing import-export traffic: expedited-schedule trains between Northwest and Midwest.

fleets, expanding or otherwise improving handling and loading facilities and improving train schedules so that we can attract a bigger share of this rapidly-growing form of international shiping, containerization."

The railroad's sales-and-service VP also points out that "a major part of this traffic moves through the Pacific North Coast ports that the Milwaukee Road serves, and the import-export traffic at these ports will increase quickly in the years immediately ahead. Containerization is becoming an extremely important part of these movements—to the point where some people predict that half of all international freight will be containerized by 1970."

Figures cited by Milwaukee people call attention to the importance of that trans-Pacific trade: Commerce between the U.S. and Japan has tripled over the past 10 years, to a total of $4.4 billion in 1965. As a result, Japan is now the largest overseas customer as well as the largest overseas supplier of the U.S.

● **The traffic increases.** So far as the railroad itself is concerned, international trade is already big business. Milwaukee has had an import-export department since 1921, it's always been a factor in the movement of import-export freight between the ports and the Midwest—and the volume of traffic has been growing steadily. Last year's figures, for instance, indicate a 34% increase in import shipments compared with 1965 traffic levels.

Kronberg, Cowling and Cartwright were well armed with facts by the time they took off for the Orient. Market-research studies had been conducted, various aspects of growth in containerization had been looked into, improvements in North Coast port facilities had been inspected.

And in Japan, the trio planned to cover all bases—with conferences scheduled with representatives of various Japanese government ministries, Japanese and American steamship companies, port authorities and trading companies, as well as with U.S. government representatives based in Japan. Milwaukee's team also planned to pay special attention to the improvements in container-handling facilities at Japanese port cities. And they may have come home with the recommendations that will lead to the opening of a Milwaukee Road traffic office in Tokyo.

Among other things that Milwaukee people know they can count on is competition—and at least two competitors, Union Pacific and Northern Pacific, are well on the way to establishing their specific operations more strongly in the Orient.

● **Across the Pacific.** Union Pacific claimed a first with its opening of a commercial office in Tokyo late last year (RA, Nov. 28, 1966, p. 80). And NP joined the movement early this year, with an announcement that a traffic office in Japan will be opened later in '67 (RA, Jan. 23, p. 36). In each case, plans called for the overseas office to be in charge of a Japanese national.

Great Northern hasn't yet made a new move, on the Japanese front. But GN has had "extremely close relationships" with the Orient trade since the late 1890s and at one point, after the turn of the century, had its own steamship line operating between the Pacific Northwest and Japan and Hong Kong. At this point, GN people are taking a close look at developments, in trying to assess the various means of representation in Japan which might be possible.

Railroad competition may get more rugged — with each competing road taking a slightly different tack.

● **Ports—and containers.** UP's President Edd H. Bailey, for example, cites his road's "exceptional facilities, and the number of ports reached by our lines."

NP's E. M. Stevenson, vice president-traffic, can't claim a port-list like that—but NP, like Milwaukee and GN, can emphasize long experience in handling import-export traffic, as well as port locations and rail lines which provide a short route between Japan and midwestern and eastern U.S. points.

And both NP and Milwaukee will be leaning heavily on development of container operations. As Stevenson put it, main objectives of his road's overseas program are "maximum implementation of the containerization concept and peak efficiency in coordinating movement of materials and finished goods in both directions, on land and sea."

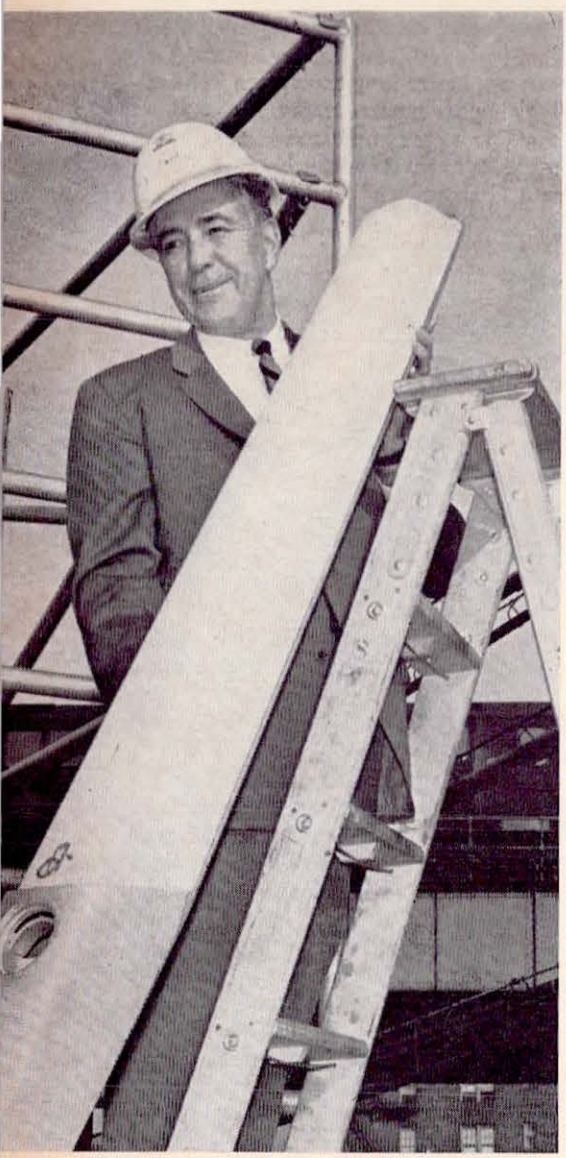
In opening the Tokyo office, he added, the railroad "is embarking on a program of shipment of goods to and from the Orient that combines the latest transportation technology with new approaches to coordination and handling to build on the company's great tradition in Far East trade."

● **Rail service improved.** With the general speedup of freight schedules between the Northwest and Chicago and other major midwestern points, all roads serving the ports—Milwaukee, UP, NP and GN—are obviously counting on improved service as a major talking point, especially when the faster rail service is combined with short-route shipping in the North Pacific shipping lanes. Ports farther down the coast, however, aren't about to let any traffic go by default—which makes for hot competition and also underscores the importance of the traffic-building efforts that have taken U.S. railroad men to the Orient.

In a way, it's a throwback to the days, earlier in the century, when U.S. railroads were doing as much as anybody to promote trans-Pacific trade. It's taken a while, since the end of World War II, to get things rolling again—but from all indications, railroad traffic-builders are off and running. ■

The AAR gets a new chief: A public-relating railroader

The Long Island's President Goodfellow knows the value of selling the public on railroads.



NEW STATION LIGHTING gets personal inspection by President Goodfellow.

The new president of the Association of American Railroads is a railroader who believes firmly in getting out and meeting the people along the line.

"Tom Goodfellow is the best public relations man I've ever had working for me," admits Jim Schultz, Long Island's vice president of public relations. "The way he gets around the railroad—and around the whole community—I sometimes wonder if he really needs a desk or office."

More often than not, Goodfellow, as president of the LIRR, was off representing his railroad at a new station opening, a civic dinner, or a ceremony marking the inauguration of some new LIRR service. "The Route of the Dashing Commuter," slogan of the Long Island, is a phrase that has been used more than once by astonished co-workers to describe their boss' hectic schedule.

● **New man at the controls.** Goodfellow, 59, took over his AAR duties on June 1. He succeeds Daniel P. Loomis, 62, who will serve as a consultant to the AAR until his retirement at the end of this year.

"America's railroads are opening the throttle for an express run into the brightest era in their century and a half of history," says Goodfellow. "I'm happy and excited to be climbing aboard the cab for that run toward unprecedented service and accomplishment."

No stranger to a throttle (he once took a hand piloting the Long Island's miniature train at the New York World's Fair), Goodfellow is credited with guiding the LIRR through some dark days after its emergence from bankruptcy in 1954. Under his direction the Long Island, once the butt of jokes of newswriters and columnists, fought a long, hard battle to win back public approval. It found new friends by calling attention to extensive grade crossing projects, installation of train-regulating safety devices, new station painting and rehabilitation programs, and over-all plant improvements that cost some $65 million over a 12-year period.

The Long Island theory is: "It doesn't matter how good you are unless you let people know it." To this, Goodfellow subscribes wholeheartedly. He believes that the railroads in general "fenced in by the whims of regulatory bodies on one side and by subsidized competition on the other, probably need good public relations more than any other industry." The future of the railroads, as he sees it, will be tied to the effectiveness of the public relations job the industry conducts. ■

CHANGING THE HOME PLATE, Goodfellow (on ladder right) aids in erecting new station sign at New York Mets stadium stop on LIRR.

OFTEN IN THE MIDDLE OF A CROWD, Goodfellow (wearing engineer's cap) attended ceremonies in connection with grade-crossing elimination program on the road.

NEW PASSENGER STATION program was closely supervised by Goodfellow.

A FORMER TRACK SUPERVISOR, Goodfellow (right) calls on his experience to direct Wantagh, N.Y. city officials on grade-crossing relocation work.

NEW TRAIN SERVICE (using Budd-built cars) got this Long Island civic welcome.

AIRPORT
607

Fasten your seat belts!

When you fly from Cleveland next year, your flight will begin downtown, the moment you board Pullman-Standard's sleek new stainless steel transit cars. At 55 miles an hour, you'll arrive at Cleveland Hopkins Airport in just 22 minutes. It's another first for Cleveland's fast thinking transit experts, and we're happy to share it. But we'll be happy to share it with you, too. If you want a rapid answer to your mass transit problems, come fly with us.

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INSIDE MISSOURI PACIFIC'S material distribution center at North Little Rock, Ark., a fork-lift reaches high to extract a pallet load.

The problems behind P&S automation

The large number of different materials and the fluctuation of demand are among the posers confronting storehouse managers.

The rewards should be great for the fellow who comes up with the means of automating—really automating—railroad stores operations. Reason: The storehouse, while accepting mechanization well, seems now to defy automation, to any appreciable extent.

Purchasing agents and stores supervisors cite a number of elements in their less-than-optimistic view of stores automation—and the biggest factors are probably (a) the large number of different materials and the diversity of configuration of the materials a storehouse must stock; and (b) fluctuation of demand, which makes a flow-rate extremely difficult to chart.

If the mechanical end of the operation isn't immediately susceptible to automated handling, however, there are other phases of the business in which greater efficiencies can be concentrated—through automation of paperwork, complete computer control of stock, even automated handling of pre-packaged shipments to use points.

• **A major market.** And in the meantime, railroads continue to be major users—and in some cases innovators—of material-handling equipment, over a wide product-range. Their source of supply is a major industry in itself—with more than 150 companies listed on the roster of the Materials Handling Institute and with new-order bookings running at a $100-million-a-month rate earlier this year.

One of the big problems, even in mechanizing stores operations, is the age of the facility. There are, today, few "new" storehouses. Stores supervisors, in many instances, are working with plant layouts originally designed for manual parts-handling—and it's their job to fit in those types of machines which will work best with existing facilities.

• **Better packaging helps.** Going hand-in-hand with improvement of material-handling equipment is improvement in packaging.

R. E. Rathert, MoPac's manager-stores, points out that "we're constantly exploring new packaging methods. The advent and widespread use of the flatback pallet, for example, has greatly reduced the need for physical labor in warehousing. The unitized track turnout and new methods of lumber-loading are also outstanding examples of what can be done."

J. J. Brown, assistant director-stores, New York Central, cites a long list of benefits stemming from new approaches to packaging—among them labor savings, improved safety, better protection of material, assistance in taking inventory and in stores record-keeping and a reduction in the amount of repackaging that must be done for distribution to using points.

Some roads haven't pushed standardization, others have. Rock Island, for instance, has settled on 48-by-48-inch pallets; MoPac has decided on 48-by-40-inch pallets and skid boxes, and "our suppliers are requested to furnish us only this size."

On New York Central, shipping and storage containers have been standardized at 18-by-34-by-54-inch size. NYC's Brown notes that "we've found this size to be most durable and compatible to both large and small shipments. We also find it's adaptable to stacking in pallet racks. We compartmentize the containers with dividers and use them for both shipping and storage."

• **What's needed?** As for equipment most in demand as stores men make their budget plans, the old-reliable, the fork-lift truck, seems to rank highest. But there may be changes in the specific types of trucks which will get the call.

MP's Rathert talks about some of the changes his road may make:

"In the past, we may have been guilty of purchasing lift trucks with higher capacity than we required. In some areas, large trucks are justified—but for most operations, capacity of 4,000 to 5,000 pounds seems best.

"In our planning, propane has replaced gasoline as fuel. All future trucks acquired will have automatic transmission and power steering. And our use of pallet racks calls for increased lift-height on our equipment."

MoPac may also be acquiring an order-picker (which follows along with the installation of pallet racks) and cranes. Says Rathert: "We're still looking for a dependable crane with a capacity in the 6,000-to-12,000-pound

range. The crane must be such as to have a reasonable travel and operating speed. It must be compact enough that it can be maneuvered in tight places. And above all it must be operable by one man."

Even MoPac, however, is moving along lines which will produce not a real physical automation but rather a highly-developed mechanization. As the road's manager-stores sums it up, "the question of automation is a good one. The very diverse nature of the materials handled limits the ability to automate. We must remember that ours is basically a maintenance operation, and no even flow-rate is present, such as you encounter in production-line manufacturing industries. But material shipment schedules will be automated through use of containers. Such scheduling operations will incorporate use of optimum modes of transportation, determination of frequency of shipments and consideration of the availability of materials while producing an even work-flow."

● **What to look for.** All things considered, it would appear that railroads will continue to have a certain flair for the unusual, in their applications of material-handling equipment. But stores people will also be applying rather specific guidelines for acquisition of new equipment—following, perhaps, the outline of a series of general considerations cited by the Materials Handling Institute:

—Use mechanical equipment where possible, because mechanized handling, wherever practical, cuts labor costs, reduces employee fatigue, improves safety, increases production and speeds work-flow.

—Utilize existing equipment to the fullest. If it proves inadequate, then it's time to add new equipment or plan a new material-handling system.

—Keep cost considerations uppermost.

—Wherever possible, acquire standard equipment, to simplify operator training, cut initial and maintenance cost and permit equipment interchange among departments.

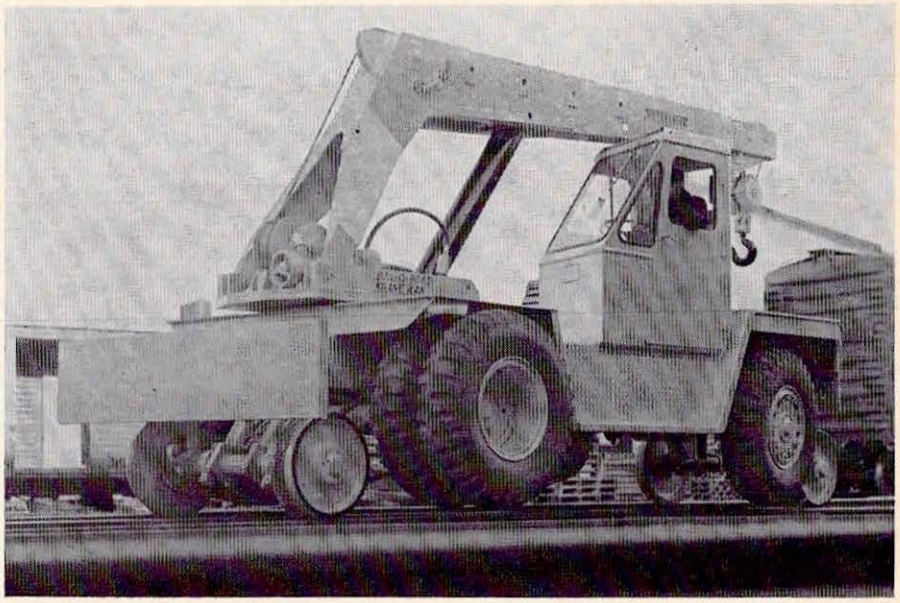
—Since no one piece of equipment or system is applicable to all problems, select and integrate equipment into a smoothly-functioning, over-all material-handling system.

—Check facility limitations carefully, taking into account clearances and running surfaces required.

—Consider unit costs, and select equipment on a basis of comparative unit costs of handling, not initial cost alone.

—Don't overlook maintenance, its costs and its complexities. ■

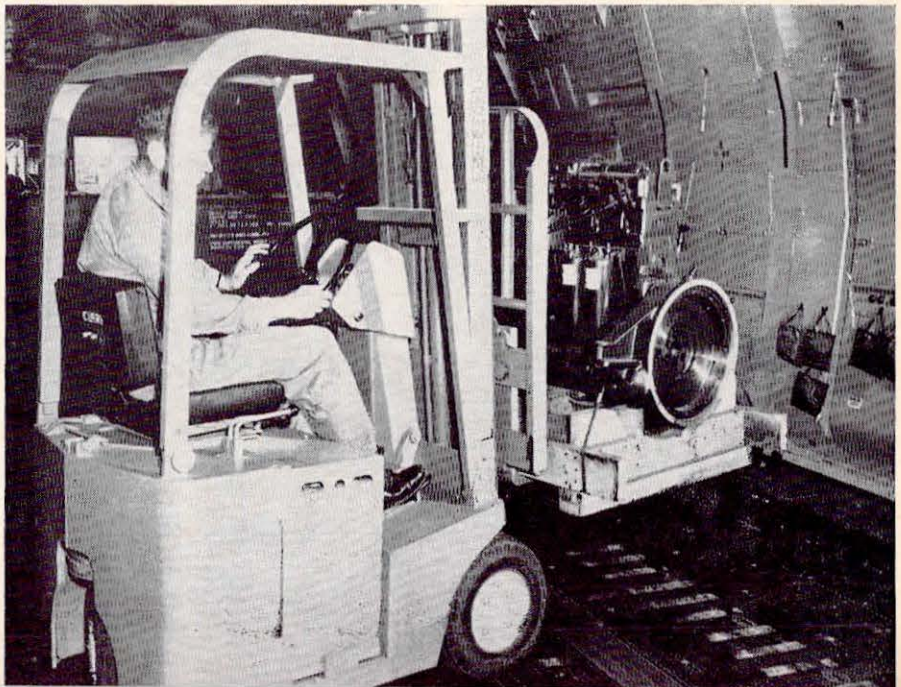
A lift truck with 360-degree rotating forks that is adaptable for scrap handling.



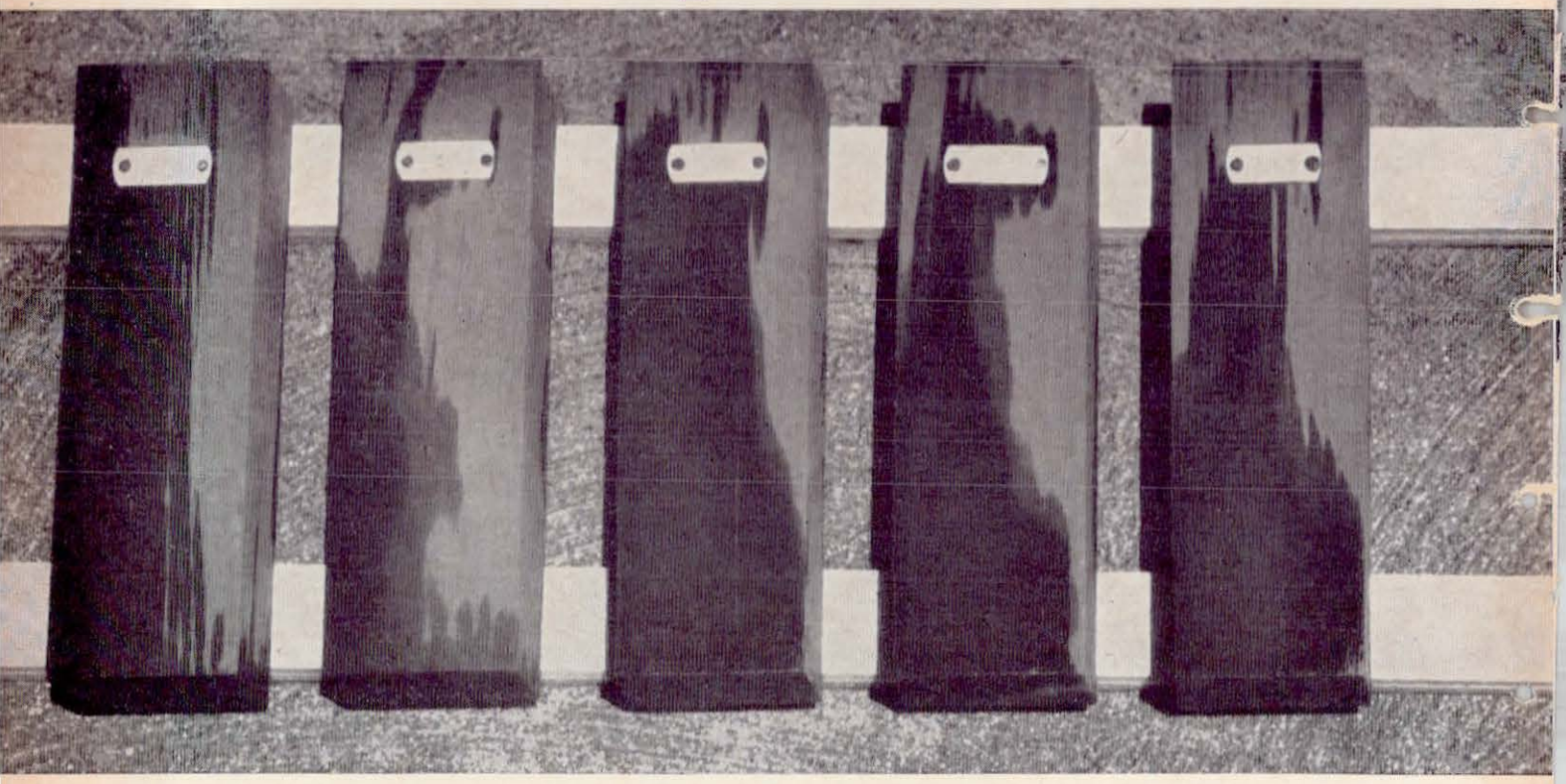
A mobile crane with rubber-tired and steel-flanged wheels and a rotating boom.

Mechanized material handling

A pneumatic-tired, three-wheel electric truck with a 49-inch turning radius.



New tests on tie life keeps water out,



Without Shellwax WT, water soaks in fast.

Above—These five yellow pine stakes, pressure-treated with 60/40 Creosote—Coal Tar AWPA P-2 Grade, absorbed most of the water from a quick spray in 5 minutes. The ten stakes in our photograph are matched, and were exposed to the weather for 18 months at Shell Development Company, Emeryville, California.

EARLY research by Shell scientists showed that Shellwax® WT, mixed with conventional tie preservative, could make an *important* reduction in tie replacement costs. Their findings:

- Shellwax WT reduces the rate of water absorption, and thereby modulates swelling and shrinking—basic factors in the development of checks and splits.
- Shellwax WT retards loss of conventional preservative due to weathering—indicating extended protection and service life for ties.
- Shellwax WT conserves the conventional preservative's volatile "light ends." The light ends are reportedly the most toxic to wood-destroying organisms.

Now, data derived from a recently completed test program* help confirm Shell's earlier studies.

These test data are based on pressure-treated, end-matched southern pine stakes exposed to the weather for 18 months.

The test revealed that:

1. Stakes treated with a mixture of 85 percent Creosote-AWPA P-1 Grade and 15 percent Shellwax WT absorbed 68 percent less water than stakes treated with Creosote-AWPA P-1 Grade alone.

2. Stakes treated with a mixture of 85 percent Creosote-AWPA P-1 Grade and 15 percent Shellwax WT showed a 34 percent reduction in loss of preservative compared to stakes treated with preservative alone.

Sound economics

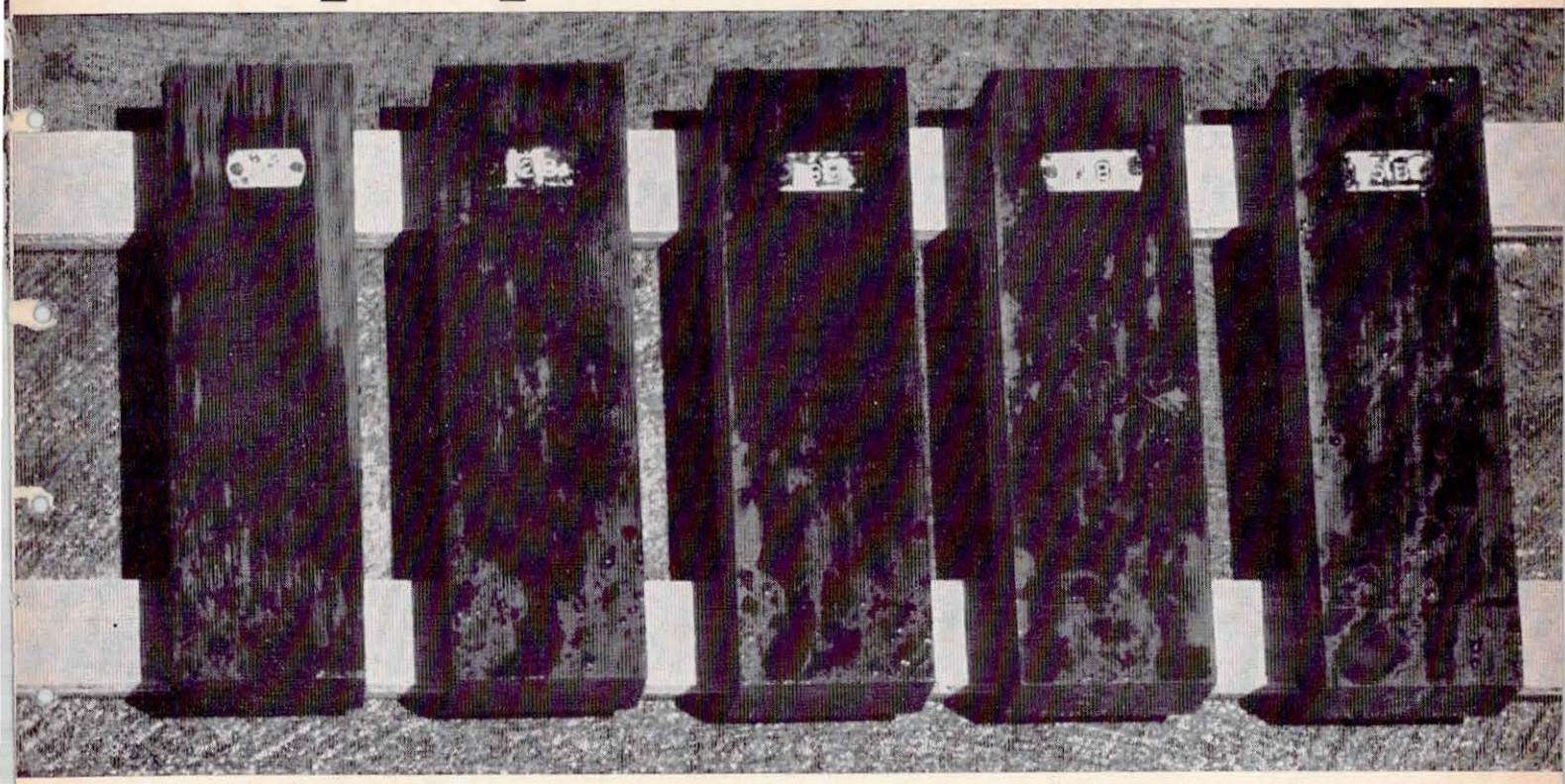
Hundreds of ties have already been treated by *commercial plants* with the 85/15 mixture. These ties are in place on the lines of six major railroads.

Cost studies show that treatment with Shellwax WT costs less than 1 percent of the total cost of the tie in place. And, on a 6 percent return-on-investment basis, that treatment with Shellwax WT pays off *if it adds only one year to the life of the tie.*

Call now for details

Shell can give you complete information on Shellwax WT, tests, application, and economics. Telephone the Shell Railroad Sales Office nearest you. New York: 212-586-6000 (A. C. Spruill); Chicago: 312-341-3275 (H. J. Sliwa); San Francisco: 415-392-5400 (F. R. Hatch). Or write: Shell Oil Company, Railroad Sales Dept., Room 3844, 50 West 50th Street, New York, New York 10020.

confirm: Shellwax WT keeps preservative in



With Shellwax WT, water is slowly absorbed.

Above—These five yellow pine stakes, pressure-treated with 85% 60/40 Creosote—Coal Tar AWPA P-2 Grade plus 15% Shellwax WT, demonstrate the water holdout characteristic of the 85/15 mixture. After 5 minutes, most of the water from a quick spray is still beaded on the surface. By modulating the rate of water absorption, Shellwax WT modulates swelling and shrinking.

Effect of Shellwax WT in retarding loss of Creosote-AWPA P-1 Grade Preservative from yellow pine stakes during 18 months of weather exposure*

	Creosote-AWPA P-1 Grade Control	85% Creosote-AWPA P-1 15% Shellwax WT
Creosote retention at start, lb./cu. ft.	8.1	6.6
Creosote retention at end, lb./cu. ft.	4.8	4.8
Loss of creosote in 18 mos., lb./cu. ft.	3.3	1.8
Percent loss of creosote in 18 mos.	41	27
Percent reduction in loss	—	34

Note that test stakes treated with 85 percent preservative—15 percent Shellwax WT started with 1.5 less pounds of preservative per cubic foot than the control stakes—yet, after 18 months' exposure, the wax-treated stakes held as much preservative as the control stakes. Results represent an average of five tests.

Effect of Shellwax WT in retarding moisture absorption in yellow pine stakes during 18 months of weather exposure*

	Creosote-AWPA P-1 Grade Control	85% Creosote-AWPA P-1 15% Shellwax WT
By meter at start	7.0	7.0
By meter at end	12.2	8.7
Percent weight increase in moisture	74	24
Percent reduction moisture pickup	—	68

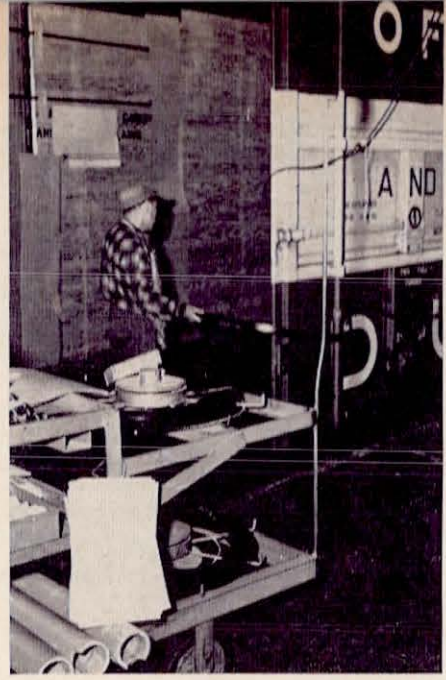
GEARED TO PROGRESS
PRI
MEMBER

SHELL

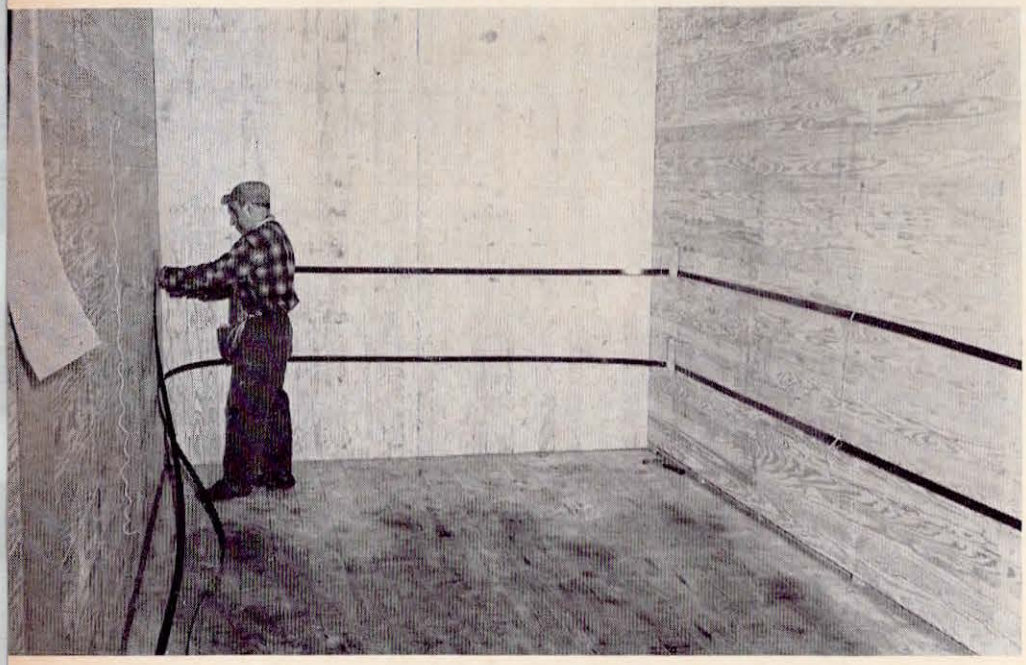
*Data derived from cooperative test program conducted by an outside independent laboratory.

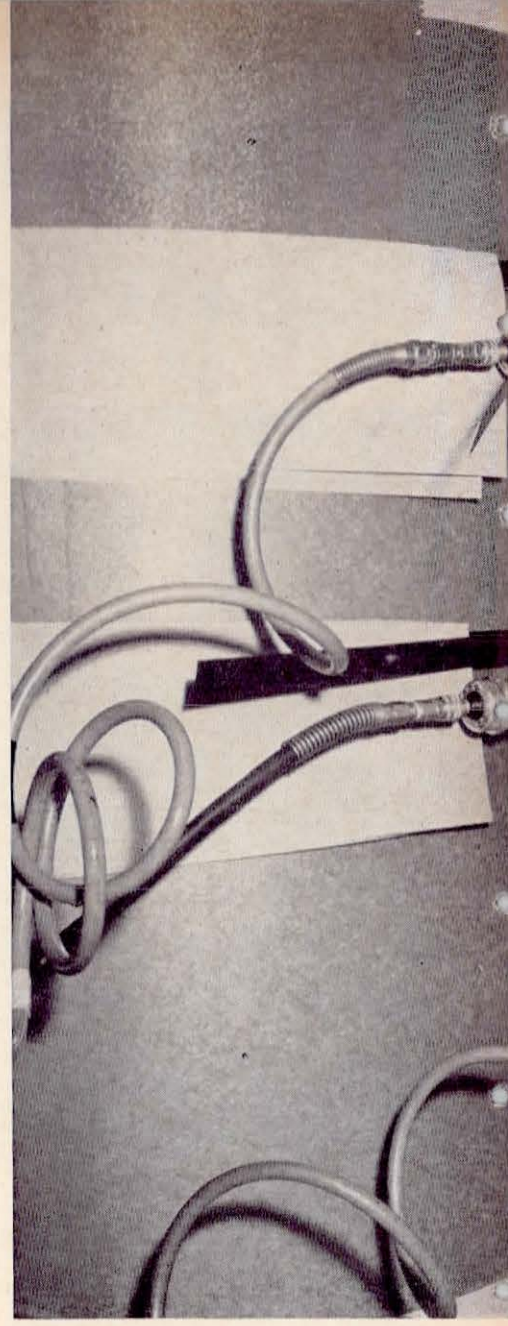
Circle 9 on reader service card

IN PREPARATION for pre-draping, strap dispenser cart is drawn up to a car door. Pre-draping from end of coil rather than with pre-cut lengths reduces waste.



TWINE AND PAPER strap hangers are used to support high-tensile steel strapping along walls of a freight car. All necessary materials are carried on strap dispenser cart.





ONE MAN can efficiently use, without help,

New loading method carries paper

- **Air-powered double strapping at uniform tension provides better ride with less damage.**
- **Other advantages include strap waste elimination, lower cost, less risk of injury.**

For better shipping of that highly damage-susceptible commodity, paper, several producers of newsprint and other paper products have installed what is described as "an advanced car loading system."

● **Four elements.** Developed by the Steel Strapping Systems division of The Stanley Works, New Britain, Conn., the new method has four elements:

1) A pair of air-operated strap tighteners;

2) A light-weight, air-powered sealer;

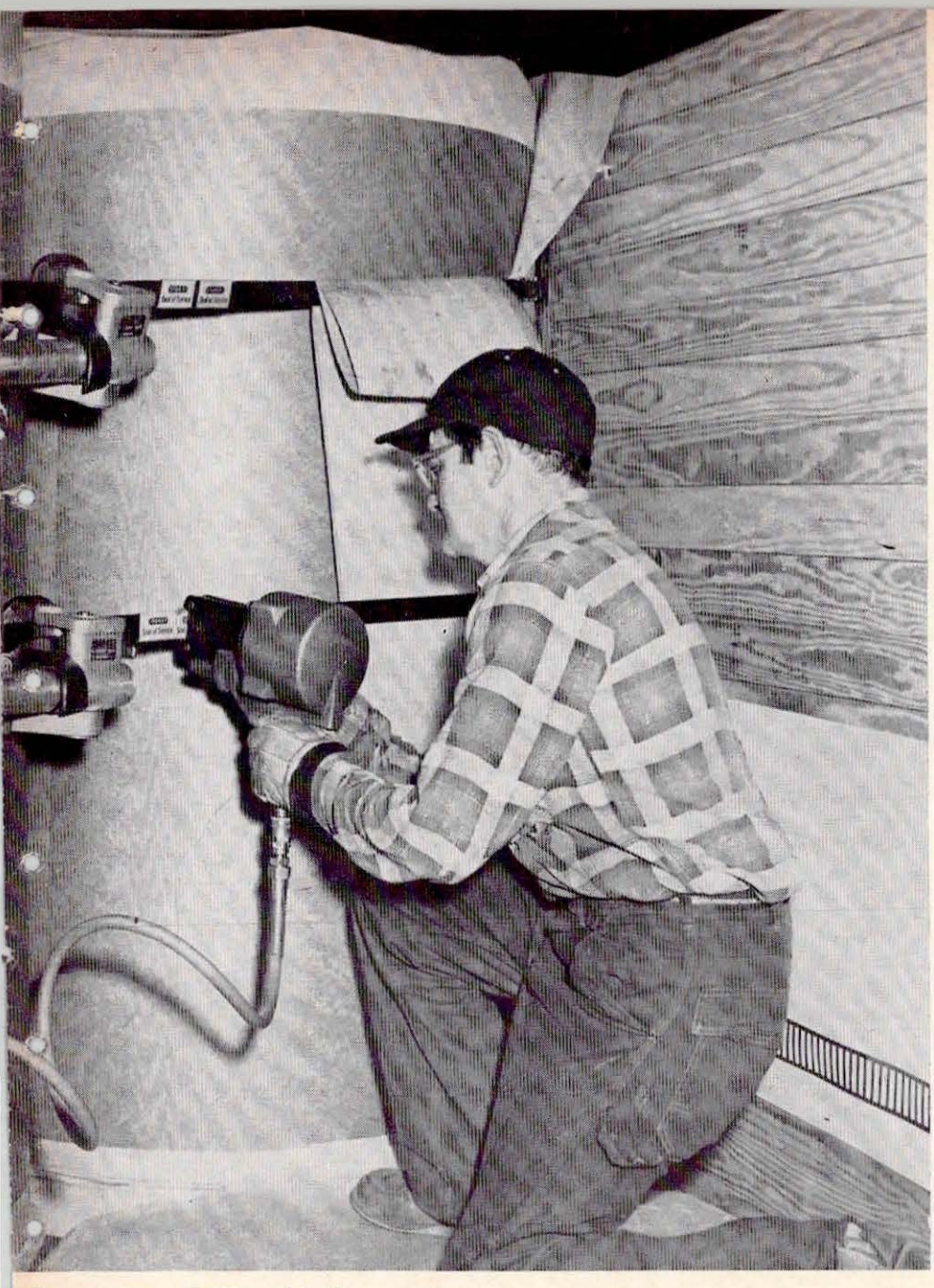
3) Individually tailored strapping dispenser carts; and

4) A tension measuring gauge.

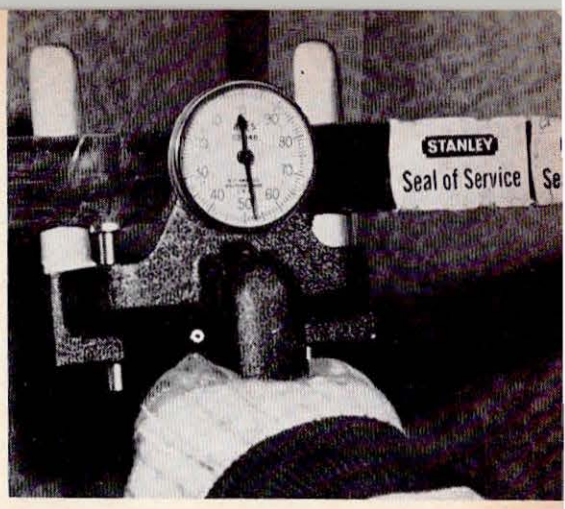
On loading docks where air supplies are not available, a Stanley-furnished mobile compressor can be used. This also provides a rack for tools, 50-ft lengths of self-coiling hose, and storage space for other necessary materials.

● **No waste.** The dispenser carts provide the advantage of pre-draping from the end of a coil of high-tensile strapping, rather than with pre-cut lengths. Thus, strapping is cut only after it has been paid out to encircle the load; not before. Only the amount needed is cut from the coil.

The system's two air-powered tighteners permit simultaneous tensioning of straps encircling the load, with one man operating both tools. Each unit, using 55 psi of air pressure, pulls up



the necessary air-powered tools.



GAUGE accurately measures tension on straps that have been tightened and sealed; assures that tensions remain constant from load to load.

more safely

to 5,000 lb of tension, or 1,000 lb above the minimum set by AAR loading regulations. Straps are drawn up at a rate of four feet per minute.

The simultaneous use of two tighteners on a pair of straps is said to improve consolidation of loads. With manual methods, straps are likely to be tensioned unequally, so that one strap takes most of the strain exerted by the load during shipment. If the variance in tensions is extreme, the tighter strap may snap under transit stresses, leaving only a single band to restrain the load. Tensioning both straps at the same time has the effect of unitizing the load and thus giving it greater protection.

● **Sealer and gauge.** The sealer weighs only 7 lb, 12 oz, but can apply Stanley Sealtite seals to 1¼-in. x .031-in. high-tensile strapping in half a second, with a joint efficiency which is said to be within a few percentage points of strap strength. The seals themselves are lined with an abrasive grit to resist joint slippage.

The tension measuring gauge, fourth element in the system, provides accurate readings of tension on straps that have been tightened and sealed. The gauge has two legs that are inserted under the strap with a contact arm applying a fixed force to the top of the strap. The amount of deflection is indicated on a dial, and converted to pounds of tension by reference to charts.

● **Economies, too.** In addition to providing safer loading, the system is said to be producing real economies for companies using it.

L. E. Hackett, carloading applications engineer for Stanley Strapping Systems, reports, for example, that one producer of newsprint is saving about $3,000 per year simply by cutting out strapping waste. The company uses some 200,000 lb of cold-rolled high-tensile strap per year. Formerly, waste from pre-cutting of estimated strap lengths approached 10% of total annual usage, which has been eliminated by pre-draping and cutting strap right from the coil.

Economies are also reported from a reduction—generally by one man—in size of loading crews. One firm, says Hackett, reduced its labor cost by 20% while continuing to load the same number of cars daily. Another has reported a $7,000 annual saving through a one-man crew reduction.

● **Safety.** Increased safety of operations is an added dividend in many instances.

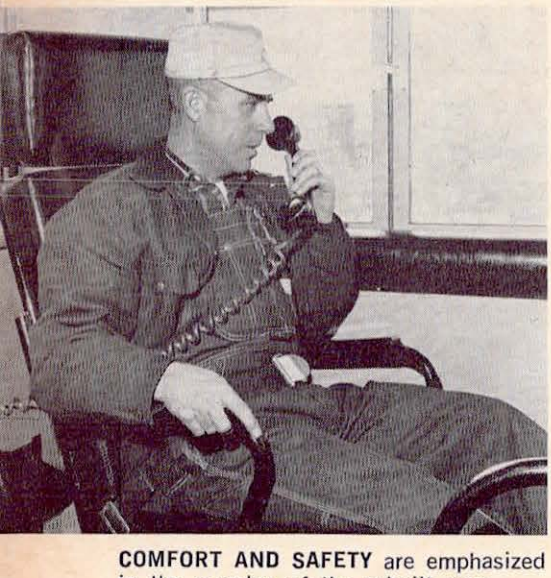
By assigning the toughest portion of the carloading job to air-powered tools the system eliminates the chance of bodily injury resulting from excessive physical strain. It avoids also the chance of sudden sharp accidental falls if a strap should happen to break while a workman is tightening it manually. The power tighteners draw strapping to a predetermined tension within the range of its tensile strength.

● **More to come?** Successful application of advanced carloading techniques in the paper industry has encouraged Stanley engineers to explore means of improving carloading methods in other industries as well. Loading tests are now being made, or planned, for a wide range of industrial shipments. It is considered possible, for example, that steel strapping may do a better and more economical job than lumber dunnage in blocking and safeguarding shipments of heavy machinery for industry, farm or highway use. ■

REBUILT CABOOSES, equipped for pool operation, will help eliminate car changes at many present crew change points.

Santa Fe revamps 355 cabooses

Modernization at West Wichita shops will cost $4.5 million.



COMFORT AND SAFETY are emphasized in the cupolas of the rebuilt cars.

The Santa Fe is spending about $4.5 million to modernize 355 cabooses. The cars will be used in pooled operation. Revamping is being done at Santa Fe's West Wichita, Kan., shops. Some of the cars are already in mainline through train service between Wellington, Kan., and Belen, N.M. Cars in this service eventually will run through from Chicago to Belen. This operation will eliminate switching and changing of cabooses at many present crew change points.

The rebuilt cabooses have open grille all-weather platforms and steps. They are equipped with complete new underframes, including ATSF hydraulic Shock Control sliding sill units. New springs have been applied to the Bettendorf swing-motion trucks.

A 3 k-w brushless alternator with rectifier and solid state voltage regulator supplies electrical requirements for battery charging, lights, water cooler, refrigerator, radio and heater thermostat circuit. The alternator, suspended under the car, is driven from an axle pulley through a matched set of three endless cog belts. A 32-volt d-c to 115 volt a-c invertor furnishes power for the refrigerator, water cooler and heater thermostat circuit.

Car lighting consists of three ceiling lights operated from three-way switches at either end door; cupola light operated from three-way switches on either side of the cupola; conductor's desk light; wall lights at the Pullman-type berth seats; in the toilet room; permanently-attached sealed-beam red warning lights at both ends of the car and operated individually from a switch at the end door; and step lights at all four corners of the car, controlled independently at each end.

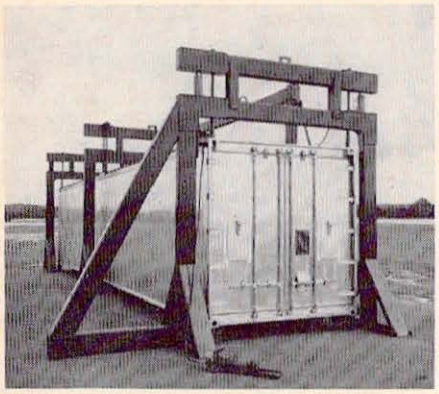
Sealed safety glass windows are used throughout the carbody and in the steel end doors. The latter also have adjustable ventilators. The cupola has sealed safety glass front and rear windows equipped with hand-operated windshield wipers. Side windows are Adams & Westlake sliding type fitted with safety glass. Improvements in the cupola include high-back swivel-type foam rubber seats with safety belts and arm rests, four-position adjustable foot rests on the front and rear walls.

Each car has a 50-gallon fuel oil tank and a 100-gallon water tank, a refrigerator, a water cooler with cup filler attachment, an enclosed coat closet with hooks and hanger bar, a standard two-way radio, a safety grab bar over the center aisle and safety grab bars enclosing the cupola platform.

Three Pullman-type foam-rubber bunk seats, a small rest room containing a stainless steel flush-type toilet and lavatory, and a wall-mounted mirror are standard equipment in each car. The oil-burning Vapor Caban 55,000-Btu heater is equipped with a circulating fan.

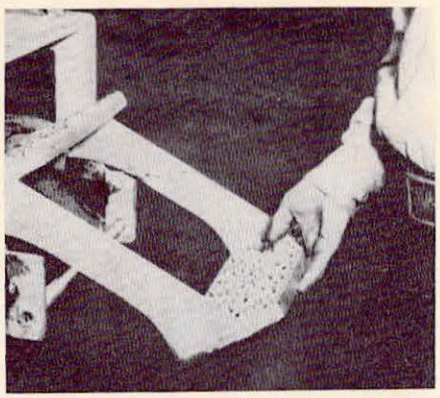
The carbody is painted bright Indian Red. The Santa Fe emblem in bright yellow is on each side of the car, beneath the cupola, with a yellow stripe running full length of the car. Trucks and underframe equipment are painted black. All lettering, hand rails and grab irons are painted white. ■

NEW **PRODUCTS** REPORT



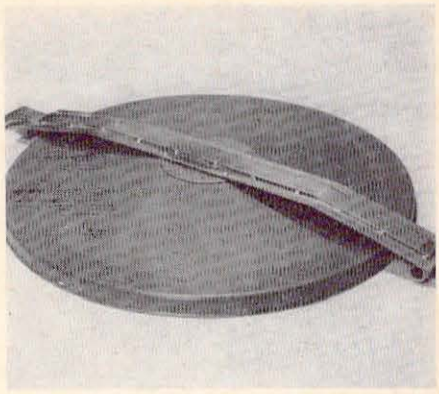
Container Testing (RA-1)

The Dorsey portable multi-purpose fixture is said to perform cargo-container lifting and racking tests in 1 hr, or can be used on trailer and truck bodies. Pressure readings are taken vertically, horizontally, or diagonally. Three free-standing gantries lift object from four to eight points. Slings on a fourth frame lift from any angle. One gantry is braced from an A frame supporting a hydraulic ram which exerts pressures horizontally for racking tests. *Dorsey Trailers.*



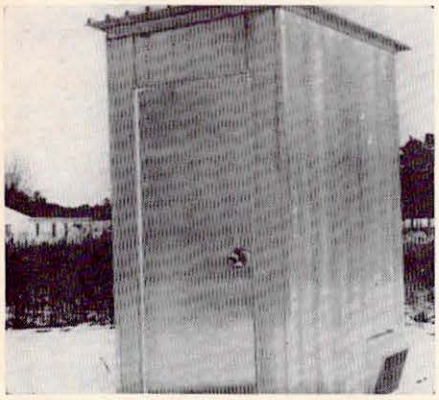
Safety Steps (RA-2)

Slide-Away stairs, which feature a gravity safety lock, provide an extra margin of personnel safety and easy accessibility to trucks and other mobile equipment. They can be mounted in minutes by bolting and are engineered to fit between the chassis frame, or be otherwise located beneath vehicle bed. The stairs, according to the designer, will not jump out of retracted position when traveling and are nonskid in all directions. *Bustin Steel Products, Inc.*



Hatch Covers (RA-3)

Trough-type and round covers of pressure-molded fiber-glass reinforced polyester are now available for most hopper-car hatches. The 11-ft trough-type hatch cover weighs 57 lb. Other sizes and shapes can be provided to meet specific requirements. The one-piece circular cover designed for 30-in. hatch openings is 33¾ in. in diameter and weighs 22½ lb. Cadmium-plated hardware is factory installed to customer specification. *Molded Fiber Glass Body Co.*



Equipment Enclosure (RA-4)

Constructed of special aluminum alloy, a new concept in equipment enclosures offers resistance to corrosion with a high degree of reflectivity to light and heat. High reflectivity means cooler operation in summer and warmer in the winter.

Each unit is wired with a four circuit fuse panel, ceiling light and environmental control by infra-red lamp and exhaust fan through thermostat control. Units are finished, ready for setting on the foundation. *Railtron Corp.*

Urethane Tape (RA-5)

Urethane tape "501" is a glass-fabric-reinforced pressure-sensitive tape for use in overcoming abrasion resistance in chutes, cyclones, or bins where granular materials rub against and wear out metals. It can also be used as a masking tape for overspray protection when sand or grit blasting. Thickness of tape, 0.035 in.; breaking strength, 9,000 psi; and temperature range. —60 to 200 deg F. Rolls are 18 yd long; widths, from ¼ to 14½ in. *Joclin Mfg.*

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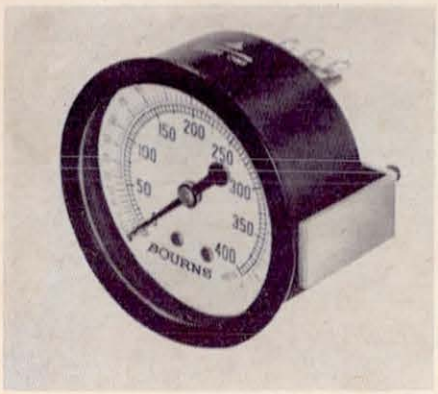
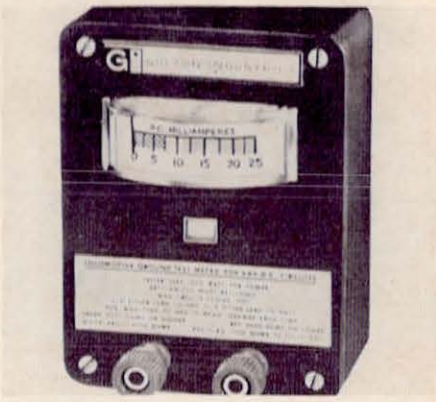


Transducer-Gage **(RA-6)**

Model 312 dial gage and potentiometric element pressure transducer for railroad car and truck refrigeration systems, provides a direct visual reading while potentiometric output (either voltage or resistance) is used for remote telemetry and/or control. Standard refrigeration pressure ranges are 0-80 and 0-400 psig and resistances 2,000 to 10,000 ohm. Power rating at 70 deg F is 0.5 watt. Dial has both pressure and Freon 12 refrigerant temperature scales. *Bourns, Inc.*

Track Cleaner **(RA-7)**

A 12-in.-diameter suction tube on Vac-All removes dirt, dense debris, snow and standing water from tracks, switches and frogs, and loads refuse into a 16- or 13-cu-yd air- and watertight body. Cleaner is mounted on truck chassis or crane carriers with or without retractable wheel equipment. Residual materials can also be vacuumed from box, gondola and bulk cars, or bulk cargoes salvaged from wrecks or derailed cars. *Central Engineering Co.*

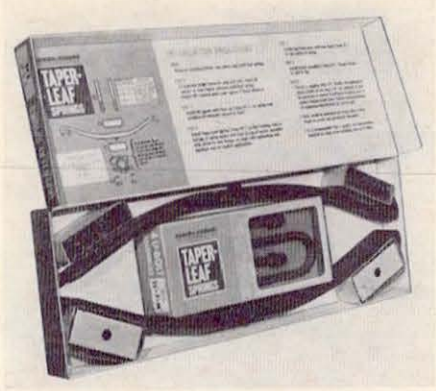


Ground Detector **(RA-8)**

Gulton solid-state device for detecting and measuring electrical leakage to ground in railway equipment circuits can be operated by inexperienced personnel to detect low-leakage currents not presently detectable. High-leakage currents up to a direct short can also be detected without damaging unit. With standard 25-milliampere unit, green on color-coded scale indicates 8,000 ohms or higher; white, between 6,000 and 8,000 ohms; red, 6,000 ohms or lower. *Gulton Industries, Inc.*

Hydraulic Platform **(RA-9)**

The Snooper, a platform for personnel working under bridges or trestles, has two hydraulic outriggers, each with a set of two 18-in. steel wheels and polyurethane tires. First boom section has a fixed length of 16 ft. Second boom, which extends from 16 to 28 ft, has a telescoping ladder and a 26½-ft work platform. For use as a standard overhead crane, second boom section and platform may be removed and hydraulic extensible boom added. *Paxton-Mitchell Co.*



Spring Conversion Kits **(RA-10)**

Taper-Leaf springs in conversion kits for trailers now permit modernization of most over-the-road trailers built during the past ten years. Twenty different kits are available to provide the original tire clearances, rail and overall heights to the basic trailers. Two tapered springs, forged pressure plates, U-bolts, spacers and other hardware needed to convert one axle from multileaf to Taper-Leaf springs are contained in each kit. *Rockwell-Standard Corp.*

Hydraulic Crane **(RA-11)**

Carrier and crane controls of the Model TD150 single-engine, single-cab, truck-mounted hydraulic crane are all in a duplex control center within the cab. Operator's seat can be swiveled 180 deg and locked either in forward position for driving, or aft position for crane operation. The crane is powered by Carrier engine through a PTO-driven hydraulic power system. It handles 30,000 lb at a 12-ft radius over side or rear without outriggers extended. *Grove Mfg. Co.*

William M. Jaekle
SP

Richard D. Spence
SP

Robert L. King
SP

Frank Aikman, Jr.
LI

PEOPLE IN THE NEWS

CHESAPEAKE & OHIO-BALTIMORE & OHIO.—Appointments in the data processing section, Baltimore, include: **William C. Prinn,** manager, advanced systems planning: **Thomas E. Briers,** assistant director, data systems development—transportation; **John D. Campbell,** manager, traffic data systems development; **Justin W. King,** manager, administrative systems development; and **Gordon A. Volkers,** manager, terminal data systems development; Mr. Volkers will direct the new Terminal Operation Service System in Chicago, as well as the creation of data systems in other major terminals.

GREAT NORTHERN.—**E. C. Robinson** named manager and **F.M. Russell,** assistant manager, security—freight claim prevention, St. Paul.

ILLINOIS CENTRAL.—**John D. Mitros** appointed manager of editorial services, Chicago. Mr. Mitros was western editor of **Railway Age.**

Dr. Ernest C. Olson, chief surgeon, retired May 31, after 44 years with the IC.

JERSEY CENTRAL.—**Dean A. Zettinger** appointed district freight agent, heading a new district freight sales office at 136 Cohansey Street, Bridgeton, N.J. Mr. Zettinger was formerly traveling freight agent at Elizabethport, N.J.

LONG ISLAND.—**Frank Aikman, Jr.,** vice president and chief engineer, Jamaica, N.Y., named president and general manager, succeeding **Thomas M. Goodfellow,** who assumed presidency of the **Association of American Railroads** on June 1 (RA, May 8, p. 15). Mr. Aikman's election was announced by **William J. Ronan,** chairman, **Metropolitan Commuter Transportation Authority.**

NEW YORK CENTRAL.—**Dr. George E. Dimond** appointed acting medical director and chief surgeon, Detroit, succeeding **Dr. Albert W. Nickels,** who retired May 31.

PENNSYLVANNIA. — **George Shimrak,** foreign freight traffic manager, has announced appointment of eight shipping agents as representatives in seven European countries. These agents are: **Herfurth & Co.,** Antwerp, Belgium; **Inter-Cargo AB,** Gothenberg, Sweden; **Schenker & Co.,** Frankfurt, Germany; **Kuhne & Nagel,** Hamburg, Germany; **Luigi Serra,** Genoa, Italy; **Fernando Flores,** Alicanti, Spain; **William H. Muller & Co.,** Rotterdam, Holland, and **G. Ferron-E. de Clebsattel,** Dunkerque, France.

At the request of the Inter-Cargo Co. of Sweden, the PRR has granted **Leslie J. Dean,** foreign sales representative at Chicago, a leave of absence for two years to help acquaint the Swedish company with freight handling methods in the United States.

Appointment of additional agents in several other European countries will be announced in the next few weeks. The new PRR agents in Europe are prepared to arrange "total transportation services" to and from all parts of the United States.

RICHMOND, FREDERICKSBURG & POTOMAC.—**J.E. Kirby, Jr.,** secretary to purchasing agent, Richmond, Va., appointed supervisor purchasing and printing. **D.A. Walton,** assistant storekeeper, named material supervisor. **J.H. Thamann, Jr.,** chief clerk, named assistant to

(Continued on page 35)

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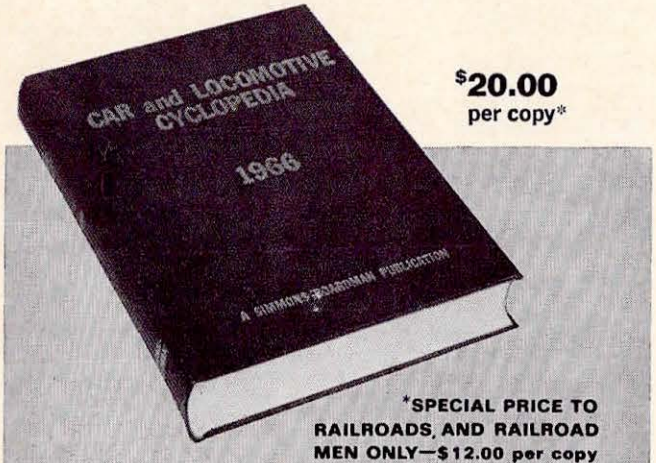

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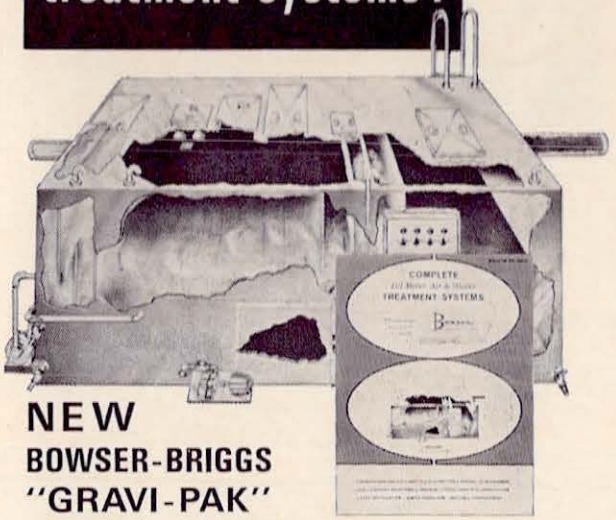

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MARKET OUTLOOK

Carloadings

Carloadings for the week ended May 27 were not available as this issue went to press.

PIGGYBACK CARLOADINGS.—U.S. piggyback loadings for the week ended May 20 totaled 24,182 cars, carrying 40,281 trailers, compared with 23,358 cars, carrying 38,459 trailers, in the corresponding 1966 week. Loading for 1967 up to May 20 totaled 448,068 cars, carrying 736,813 trailers, compared with 426,897 cars, carrying 705,128 trailers, in the corresponding period of 1966.

IN CANADA — Carloadings for the seven-day period ended May 14 totaled 78,978 cars, compared with 75,003 for the previous seven-day period, according to the Dominion Bureau of Statistics.

	Revenue Cars Loaded	Total Cars Rec'd from Connections
Totals for Canada		
May 14, 1967.....	78,978	25,821
May 14, 1966.....	86,105	25,708
Cumulative Totals		
May 14, 1967.....	1,342,833	480,447
May 14, 1966.....	1,448,782	495,023

Evans builds 1000th coil steel car

The 1000th DF-C coil steel car has been turned out by Evans Products Company's Transportation Equipment Group.

Evans, a producer of railroad damage-prevention equipment, entered the car-building field on the strength of orders received for the coil car, first shown at the American Railway Progress Exposition in Chicago in October 1963. The company now also builds other types of freight cars, including box cars, flats, bulkhead flats and other specially equipped and standard cars.

Evans reports that its coil steel car is aiding the railroads in recapturing steel tonnage formerly shipped by truck.

The car has been ordered by C&O-B&O, GTW, N&W, NYC, P&LE, UP, M-K-T, C&NW, EJ&E and IC.

LOCOMOTIVES

► *Canadian National.*—Will purchase 42 new 3,000-hp diesel-electric locomotives from Montreal Locomotive Works. This is in addition to 68 3,000-hp units which CN will acquire from General Motors Diesel (RA, May 15, p. 37).

NEW FACILITIES

► *Missouri Pacific.*—Rail program for 1967, to be completed at a cost of $9.5 million, will include installation of 74 miles of new 136-pound welded rail; 53 miles of new 119-pound welded rail; 41 miles of 131-pound relay welded rail; 54 miles of 131-pound relay rail; 25 miles of 112-pound relay welded rail; 28 miles of 112-pound relay rail; 10 miles of 112-pound relay rail in sidings; 17 miles of 110-pound relay rail; 6 miles of 90-pound relay rail; and 10 miles of 90-pound relay rail in yards. Other projects scheduled for completion this year include construction of second main track between MP 264-30 and MP 267, Newport, Ark., $720,000; line and grade revision near Pilot Knob and Ironton, Mo., $650,000; bridge replacement at Sulphur, Tex., $450,000; construction of a drill track and two storage tracks totaling 13,300 track feet at Taft, La., $300,000; construction of locomotive repair shop and inspection facilities, North Little Rock, Ark., $450,000; and construction of lead track to serve an industrial area near Baytown, Tex., $1,400,000. Scheduled for completion in 1968 is relocation of the Wagoner Subdivision between MP 550 and MP 555, on account of dam and lock construction, $1,820,000. Earlier, MP completed rehabilitation of 24.4 miles of line purchased from Southern Pacific, between Marlin and Waco, Tex. Cost of the project was $3.2 million.

FOREIGN

► *Korea.*—Requests bids, due June 30, on the supply of 600 sub-assembled 50-ton hopper cars and 500 sub-assembled 50-ton tank cars. Tender documents, specifications and drawings are available for loan from the Transportation Equipment Division, Room 4314, Main Commerce Building, Washington, D.C. 20230.

CAR OWNERSHIP

► *Serviceable cars increase.*—Revenue freight cars in serviceable condition owned by Class I railroads on May 1 totaled 1,422,886, compared with 1,410,539 on May 1, 1966, according to most recent AAR Car Service Division report. Estimated total ownership of all railroad- and privately-owned revenue freight cars on May 1 was 1,828,486 (average capacity: 61.72 tons), compared with 1,802,856 (average capacity: 59.97 tons), on May 1, 1966.

ESTIMATED OWNERSHIP—ALL REVENUE FREIGHT CARS

(May 1, 1967 vs. May 1, 1966)

		Box	Covered Hopper	Gondola	Hopper	Flat	Refrig.	All Others	Total
Class I	1967	579,074	111,048	205,982	426,867	66,054	49,888	59,968	1,498,881
	1966	580,720	95,712	212,953	426,411	63,706	45,065	59,339	1,483,906
BRO&C	1967	0	0	0	0	0	52,980	0	52,980
Refrig.*	1966	0	0	0	0	0	55,632	0	55,632
Private	1967	1,877	24,366	1,084	1,543	35,512	15,925	169,471	249,778
	1966	1,863	19,049	962	1,194	30,974	14,332	166,739	235,113
Class II	1967	9,072	788	5,561	9,003	755	441	1,227	26,847
& S&T †	1966	9,028	826	6,270	9,778	860	332	1,111	28,205
GRAND	1967	590,023	136,202	212,627	437,413	102,321	119,234	230,666	1,828,486
TOTAL	1966	591,611	115,587	220,185	437,383	95,540	115,361	227,189	1,802,856

*Railroad owned and controlled refrigerator car lines.
†Class II railroads and switching and terminal companies.

YOU OUGHT TO KNOW

Long Island gets a new president: Frank Aikman, Jr., vice president and chief engineer of the Long Island Rail Road, has been named president and general manager of the line. He succeeds Thomas M. Goodfellow (see p. 18) who assumed the presidency of the AAR on June 1. In announcing Aikman's appointment, William J. Ronan, chairman of the Metropolitan Transportation Authority, the state agency that runs the road, said "we are fortunate to have a person who combines the skills, the first-hand experience, and the vision to run this railroad during the exciting period of modernization which is now under way." Aikman began his railroad career with the Pennsylvania in 1934, joined the LIRR in 1949.

Air rights for transit: The Cleveland Transit System has been offered $1.5 million for a 99-year lease of the air rights over its Windermere rapid transit station. A real estate company wants to erect a 20-story, 500-suite commercial residential structure on the site. It's the first air rights offer CTS has ever received.

Conference set: The third National Transportation Apprenticeship Conference will be held Sept. 18-21, in Houston. As in past years, separate workshop sessions will be held for representatives of the railroad, motor carrier, airline and maritime industries. Chairman of the management division of the conference is C. F. Marschhauser, superintendent of employee services, New York City Transit Authority; chairman of the labor division is J. W. O'Brien, general vice president, Sheet Metal Workers International Association.

Lounging in the sky: Northern Pacific is now featuring "Lounge in the Sky" cars on its Vista-Dome "North Coast Limited." The cars, seating 24 passengers, provide refreshment service and feature tables and booths on both sides of the center aisles of the dome cars. F. G. Scott, NP passenger traffic manager, said the service is attracting new passengers to the train. Six of the cars are now in service.

Containerization post: The Bulk Packaging and Containerization Institute has elected William B. Avery president. Avery is sales manager-special accounts in the trailer service department of C&O-B&O. The Institute is primarily concerned with the development of containerization.

RI seeks to drop a pair: Two passenger trains that hardly anybody uses will be dropped from the Rock Island timetable, if the ICC looks favorably on RI's petition for discontinuance. The trains, each carrying one coach, are Nos. 15 and 16, operating between Kansas City and Minneapolis-St. Paul. Last year, the operation wound up with an out-of-pocket loss of $431,533. Early reports on 1967 indicate worse things ahead: The trains chalked up losses of $133,000 the first three months.

Commuters like GTW: Grand Trunk Western's commuter service at Detroit has hit the upward trail, after years of declining patronage. Over the first four months of 1967, GTW averaged 2,078 riders a day, up 14% from year-earlier figures. Bad weather in February and March accounted for a good part of the increase—but April still showed a 9%-plus gain, and Vice President and General Manager John W. Demcoe is confident that the "rising trend will continue."

Horseshoe Curve is honored: The Pennsylvania's famed Horseshoe Curve has been officially designated a National Historic Landmark by the National Park Service. The curve is on the road's main line, about five miles west of Altoona, Pa. Recognized as an engineering triumph since its completion in 1854, the curve made possible a direct rail route through the Allegheny Mountains to link the seaboard with the Middle West.

Truck tonnage: Intercity truck tonnage in the week ended May 20 was 2.7% below that of the previous week and 4.7% below the volume in the corresponding week of 1966, according to American Trucking Associations.

Current statistics

Net Income	
3 mos., 1967	$120,000,000
3 mos., 1966	172,000,000
Carloadings, revenue freight	
20 wks., 1967	10,692,859
20 wks., 1966	11,041,583
Freight cars on order	
May 1, 1967	34,960
May 1, 1966	59,317
Freight cars delivered	
4 mos., 1967	32,785
4 mos., 1966	29,300
Serviceable cars	
May 1, 1967	1,422,886
May 1, 1966	1,410,539

(Continued from page 31)

supervisor purchasing and printing.

SOUTHERN.—**Elmo B. Shearouse** appointed sales coordinator, Washington, D. C. Mr. Shearouse was formerly general sales manager, **Central of Georgia,** Washington.

SOUTHERN PACIFIC.—**William M. Jaekle,** assistant vice president of system operations, San Francisco, appointed vice president of engineering and research. **Richard D. Spence,** assistant general manager, San Francisco, succeeds Mr. Jaekle. **Robert L. King,** superintendent, Western Division, replaces Mr. Spence.

SUPPLY TRADE

Richard W. Purdy has been appointed to the newly established position of manager of railroad sales, **Parker-Hannifin Corp.,** Cleveland, Ohio. Mr. Purdy previously was manager of sales, Cleveland Frog & Crossing Co.

O. Warren Long has joined **Brenco, Inc.,** Petersburg, Va., as a sales representative.

Effective April 1, 1968, **Pittsburgh Plate Glass Co.** will change its name to **PPG Industries Inc.**

Philip E. Bender has been named sales representative, Cleveland area, **Shippers' Car Line division of ACF Industries.** He was formerly in the New York office.

C. E. Stipancic, headquarters sales engineer, Railway Market Section, **Union Switch & Signal Division, Westinghouse Air Brake Co.,** Swissdale, Pa., has been appointed manager of market research and product planning, Marketing Department.

B. J. Malloy, sales engineer, Central Region, Pittsburgh, transferred to the Eastern Region Rapid Transit Office, New York, reporting to **R. H. Tomlinson,** manager.

Frank Galdes has been appointed sales engineer, communication products, Eastern Region, reporting to **W. R. Fisher,** manager. Mr. Galdes was formerly communications inspector. **Chesapeake & Ohio. W. C. Reustle,** sales engineer, Philadelphia, has been assigned to the newly established Southeastern regional office at 1815 First National Bank Bldg., 2 Peachtree Street, Atlanta, Ga. 30303. Mr. Reustle will continue to report to Mr. Fisher.

D. Paul Crane has been appointed product systems planner—communications, Department of Market Research and Product Planning. Mr. Crane will be responsible for the division's activity in the railroad radio field.

DIVIDENDS DECLARED

ATCHISON, TOPEKA & SANTA FE.—5% Preferred, 25¢, semiannual, payable Aug. 1 to holders of record June 30.

CHESAPEAKE & OHIO.—$1, quarterly, payable June 20 to holders of record June 1.

CHICAGO, BURLINGTON & QUINCY.—$2, payable June 15 to holders of record June 1.

CHICAGO GREAT WESTERN.—Preferred, 62½¢, quarterly, payable June 30 to holders of record June 15.

DENVER & RIO GRANDE WESTERN.—27½¢, quarterly, payable June 12 to holders of record June 2.

GULF, MOBILE & OHIO.—65¢, quarterly, payable June 12 to holders of record May 24; Preferred, $1.25, quarterly, payable Dec. 11 to holders of record Nov. 21.

MISSOURI PACIFIC.—Class A, $1.25, quarterly, payable June 30 to holders of record June 16.

PITTSBURGH, YOUNGSTOWN & ASHTABULA.—Preferred, $1.75, quarterly, paid June 1 to holders of record May 19.

ST. LOUIS-SAN FRANCISCO.—50¢, quarterly; Preferred, $1.25, quarterly, both payable June 15 to holders of record June 1.

SOUTHERN.—70¢, quarterly, payable June 15 to holders of record May 15.

SOUTHERN PACIFIC.—37½¢, quarterly, payable June 19 to holders of record May 29.

UNION PACIFIC.—45¢, quarterly, payable July 1 to holders of record June 5.

CURRENT PUBLICATIONS

ACCIDENT BULLETIN NO. 134; Summary and Analysis of Accidents on Railroads in the United States Subject to the Interstate Commerce Act, Calendar Year 1965, prepared by the Bureau of Railroad Safety and Service, Interstate Commerce Commission. 106 pages. Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. $1.50.

BULLETIN No. 116. 76 pages, illustrations, map. The Railway & Locomotive Historical Society, Inc., Baker Library, Harvard Business School, Boston, Mass. 02163. $2.00 to members; $3.00 to nonmembers.

SUPER POWER STEAM LOCOMOTIVES [OF THE LIMA LOCOMOTIVE WORKS], by Richard J. Cook. 144 pages, illustrations. Golden West Books, P.O. Box 8136, San Marino, California 91108. $8.95.

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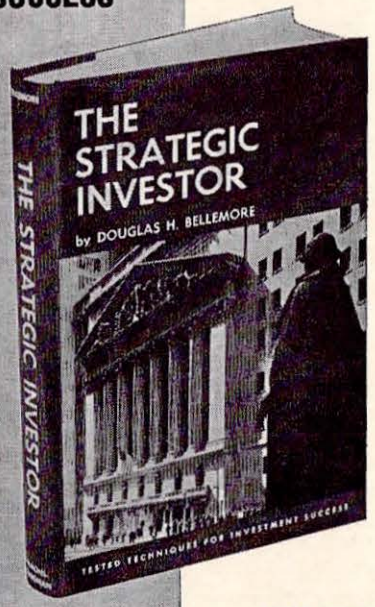

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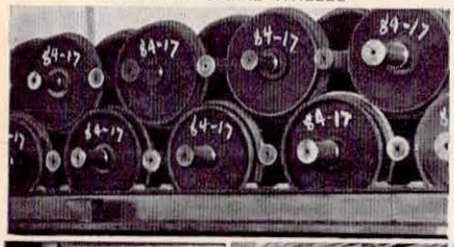

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AS THE EDITOR SEES IT...

WHO ARE THE SOCIALISTS?—Jim Lyne, the late editor of this magazine, used to fret and seethe over what he regarded as the "socialist" threat to transportation. Now, Jim lost no sleep over the left-leaning oratory of the bearded youngsters who even then were holding forth on their soapboxes in Chicago and San Francisco and New York. But he did toss and turn over the curiously uncapitalistic posture which certain segments of the big business community assumed in their approach to transportation. It was the industrial tycoon, charged Jim, who hollered most about the danger of socialism—but encouraged its encroachment in the transportation field by lobbying long and hard for the investment of billions of tax dollars in waterway facilities that benefited no one except the big, rich shipper. The mere mention of "low-cost water transportation" was enough to send Jim Lyne into near-apoplexy. It was low-cost to no one, he growled, except the big-business "socialists."

This was a pretty novel approach, and Jim never found a lot of support for it outside the railroad community (which could fairly be said to have a prejudiced viewpoint).

It is therefore a pleasure to report that a publication with a circulation roughly 1,800 times as large as that of Railway Age has now reached a similar conclusion.

"MIKE KIRWAN'S BIG DITCH."—The Reader's Digest, in its June issue, takes up the fight in an article entitled, "Mike Kirwan's Big Ditch." Mike Kirwan is U.S. Rep. Michael Kirwan of Ohio, chairman of the House Appropriations Subcommittee on Public Works, and therefore chief dispenser of "favors and funds for Congressmen's pet projects." The "big ditch" is the Lake Erie-Ohio River Canal, which The Digest calls "one of history's most brazen assaults on the U.S. Treasury."

This internationally-circulated magazine points out what Railway Age has said so many times: that nearly no one, Republican or Democrat, wants this waterway that will cost taxpayers more than seven times what they paid for the St. Lawrence Seaway. No one, that is, "but Rep. Michael Kirwan and the vested interests that would profit from it."

The ICC, the Hoover Commission, leading engineering experts, the newspapers in the affected territory, the railroads that already serve the region well and would lose many ton-miles of traffic to this government-built artery—all have said "No!" But Congressmen are easily deafened when they fear the loss of their own pet projects.

The Digest traces the almost unbelievable story of this bold raid on the treasury—from its inception, back in the days of George Washington, to the present century when "the plan was revived by Youngstown industrialists seeking low-rate barge transportation at taxpayer expense."

ANYBODY GOT A STAMP?—Railwaymen should study the Digest's report carefully; it is by far the best documented (and the most hair-raising) account yet to see print. They ought to read the following with particular care:

"These projects *can* be shelved. And Mike's Ditch *can* be stopped, if Congress cuts off the planning funds. What is required is an aroused public demanding that their Senators and Representatives say no to outlandish projects, not only in other districts but in their own backyards."

A sufficient number of five-cent stamps just might do the job.

BY ANY OTHER NAME—The big-business "socialists" probably don't see themselves as that at all. But as Jim Lyne once remarked: "You're just as dead, if you take poison inadvertently, as you would be if you did it deliberately."

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VIEWPOINT

On getting ahead—and staying there

Any optimist knows that for every problem there's a solution. The real trouble is that for just about every solution, there's a new problem created. And these follow-up or off-shoot problems can be stickier than the originals. It's one of the hazards of progress, or of being creative.

The over-simplified, textbook example is dieselization. By the decade after World War II, technology had clearly caught up with the steam locomotive. The people at such places as EMD, Alco, GE (and, in those days, BLH and FM) convinced railroad men that the growling diesel was, indeed, a superior piece of machinery. Railroads, even those with limited financial capability, bought the diesel. Solved: One problem of technological efficiency. And created: One massive problem of manpower inefficiency.

The perils of progress

Nobody needs to be bored with a recounting of what happened then. Suffice it to say that (a) it took an Act of Congress to bring about any change whatsoever, and (b) the battle's not over yet.

What lies ahead? More—maybe much more—of the same. It takes no particular insight to say that the era of technological progress in railroading is far from over, that the most imaginative advances may still be coming up.

Given a continuation of present circumstances in the industry's human-relations area, however, the cheers have to be mixed with the shudders. Given a continuation of natural and necessary management desires to increase efficiency and a continuation of union desires to protest what-is, the cheers have to be mixed with shudders, prayers and anything else that happens to be handy.

Some people however, don't think it necessarily has to be this way. Some people think there's room for accommodation, within reason, for all concerned.

There is a strong suspicion that rail labor is desperate for a new idea. Since 1959 at the latest, perceptive labor leaders have known, deep-down, what was going to happen. It should be no secret that these men have been seriously concerned with the search for a positive way to react to change. But, in the main, they haven't found it. Their only course has been one of resistance—and that's neither a popular nor a successful course, as any railroad executive could have told them.

Maybe there's still hope. There are few union-busters left today in rail management. There are few blind-adherents-to-the-past left in key spots among the key brotherhoods. There are monologues in the industry right now which touch on the subject of mutual benefit through progress (or vice versa). There aren't really any dialogues yet, but they may be coming.

Without a doubt, it will be a courageous man—on either side—who shows up with the ice-breaker. But, as the saying goes, the cowards never started, the weak died along the way, only the brave survived.

One thing that may be needed, by some, is a more accurate view of what the future can hold. A. Scheffer Lang, railroad administrator in the Department of Transportation, puts it bluntly: "I would hope that we can infect them [rail management and brotherhood people] with more optimism than I perceive today among either the brotherhoods or the carriers . . . . I don't think, frankly, that either the carriers or the brotherhoods, individually or collectively, have looked enough at the world outside the industry to be able to appreciate where the industry can and should go."

The world turns—and turns

For better or for worse, like it or not, that "world outside" is not the same world it was 40 or 30 or 20 or even 10 years ago. New guidelines have evolved, for both unions and managements. Technological change is a fact of life for the organizations, social change is a fact of life for the employers. Adaptation, on both sides, has been painful, and it may be again. Union leaders may fight, fang and claw, against technology that substitutes machine-power for man-power. Management people may dig in, grimly against social change that threatens to negate the benefits of the other kind of change. But is any rollback—of either kind of change—likely?

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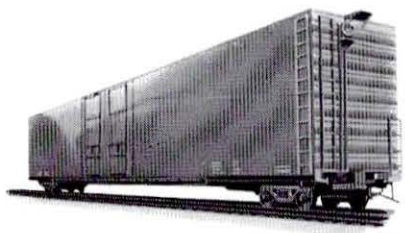

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